# *Curriculum Vitae*

# Kevin M. Murphy

October 2012

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## Current Positions

July 2005-Present: George J. Stigler Distinguished Service Professor of Economics, Department of Economics and Booth School of Business, University of Chicago

Faculty Research Associate, National Bureau of Economic Research

## Education

University of California, Los Angeles, A.B., Economics, 1981

University of Chicago, Ph.D., 1986

Thesis Topic: *Specialization and Human Capital*

## Previous Research and Academic Positions

2002-2005: George J. Stigler Professor of Economics, Department of Economics and Booth School of Business, University of Chicago

1993 – 2002: George Pratt Shultz Professor of Business Economics and Industrial Relations, University of Chicago

1989 – 1993: Professor of Business Economics and Industrial Relations, University of Chicago

1988 – 1989: Associate Professor of Business Economics and Industrial Relations, University of Chicago

1986 – 1988: Assistant Professor of Business Economics and Industrial Relations, University of Chicago

1983 – 1986: Lecturer, Booth School of Business, University of Chicago

1982 – 1983: Teaching Associate, Department of Economics, University of Chicago

1979 – 1981: Research Assistant, Unicon Research Corporation, Santa Monica, California

## Honors and Awards

2008: John von Neumann Lecture Award, Rajk College, Corvinus University, Budapest

2007: Kenneth J. Arrow Award (with Robert H. Topel)

October 2005: Garfield Research Prize (with Robert H. Topel)

September 2005: MacArthur Foundation Fellow

1998: Elected to the American Academy of Arts & Sciences

1997: John Bates Clark Medalist

1993: Fellow of The Econometric Society

1989 – 1991: Sloan Foundation Fellowship, University of Chicago

1983 – 1984: Earhart Foundation Fellowship, University of Chicago

1981 – 1983: Fellowship, Friedman Fund, University of Chicago

1980 – 1981: Phi Beta Kappa, University of California, Los Angeles

1980 – 1981: Earhart Foundation Fellowship, University of California, Los Angeles

1979 – 1981: Department Scholar, Department of Economics, University of California, Los Angeles

## Publications

### Books

Social Economics: Market Behavior in a Social Environment with Gary S. Becker, Cambridge, MA: Harvard University Press (2000).

Measuring the Gains from Medical Research: An Economic Approach edited volume with Robert H. Topel, Chicago: University of Chicago Press (2003).

**Articles**

"Government Regulation of Cigarette Health Information," with Benjamin Klein and Lynne Schneider, 24 *Journal of Law and Economics* 575 (1981).

"Estimation and Inference in Two-Step Econometric Models," with Robert H. Topel, 3 *Journal of Business and Economic Statistics* 370 (1985).

"Unemployment, Risk, and Earnings: Testing for Equalizing Wage Differences in the Labor Market," with Robert H. Topel, in Unemployment and the Structure of Labor Markets, pp. 103-139, ed. Kevin Lang and Jonathan S. Leonard. London: Basil Blackwell (1987).

"The Evolution of Unemployment in the United States: 1968-1985," with Robert H. Topel, in NBER Macroeconomics Annual, pp. 11-58, ed. Stanley Fischer. Cambridge, MA: MIT Press (1987).

"Cohort Size and Earnings in the United States," with Mark Plant and Finis Welch, in Economics of Changing Age Distributions in Developed Countries, pp. 39-58, ed. Ronald D. Lee, W. Brian Arthur, and Gerry Rodgers. Oxford: Clarendon Press, (1988).

"The Family and the State," with Gary S. Becker, 31 *Journal of Law and Economics* 1 (1988).

"A Theory of Rational Addiction," with Gary S. Becker, 96 *Journal of Political Economy* 675 (1988).

"Vertical Restraints and Contract Enforcement," with Benjamin Klein, 31 *Journal of Law and Economics* 265 (1988).

"Income Distribution, Market Size, and Industrialization," with Andrei Shleifer and Robert W. Vishny, 104 *Quarterly Journal of Economics* 537 (1989).

"Wage Premiums for College Graduates: Recent Growth and Possible Explanations," with Finis Welch, 18 *Educational Researcher* 17 (1989).

"Industrialization and the Big Push," with Andrei Shleifer and Robert W. Vishny, 97 *Journal of Political Economy* 1003 (1989).

"Building Blocks of Market Clearing Business Cycle Models," with Andrei Shleifer and Robert W. Vishny, in NBER Macroeconomic Annual, pp. 247-87, ed. Olivier Jean Blanchard and Stanley Fischer. Cambridge, MA: MIT Press (1989).

"Efficiency Wages Reconsidered: Theory and Evidence," with Robert H. Topel, in Advances in the Theory and Measurement of Unemployment, pp. 204-240. ed. Yoram Weiss and Gideon Fishelson. London: Macmillan, (1990).

"Empirical Age-Earnings Profiles," with Finis Welch, 8 *Journal of Labor Economics* 202 (1990).

"Human Capital, Fertility, and Economic Growth," with Gary S. Becker and Robert F. Tamura, 98 *Journal of Political Economy*, S12 (1990).

"Accounting for the Slowdown in Black-White Wage Convergence," with Chinhui Juhn and Brooks Pierce, in Workers and Their Wages: Changing Patterns in the United States, pp. 107-143, ed. Marvin Kosters. Washington, D.C.: American Enterprise Institute (1991).

"The Role of International Trade in Wage Differentials," with Finis Welch, in Workers and Their Wages: Changing Patterns in the United States, pp. 39- 69, ed. Marvin Kosters. Washington, D.C.: American Enterprise Institute (1991).

"Why Has the Natural Rate of Unemployment Increased over Time?" with Robert H. Topel and Chinhui Juhn, 2 *Brookings Papers on Economic Activity* 75 (1991).

"The Allocation of Talent: Implications for Growth," with Andrei Shleifer and Robert W. Vishny, 106 *Quarterly Journal of Economics* 503 (1991).

"Rational Addiction and the Effect of Price on Consumption," with Gary S. Becker and Michael Grossman, 81 *American Economic Review* 237 (1991).

"Wages of College Graduates," in The Economics of American Higher Education, pp. 121-40, ed. William E. Becker and Darrell R. Lewis. Boston: Kluwer Academic Publishers (1992).

"Changes in Relative Wages, 1963-1987: Supply and Demand Factors," with Lawrence F. Katz, 107 *Quarterly Journal of Economics* 35 (1992).

"The Structure of Wages," with Finis Welch. 107 *Quarterly Journal of Economics* 285 (1992).

"The Transition to a Market Economy: Pitfalls of Partial Planning Reform," with Andrei Shleifer and Robert W. Vishny, 107 *Quarterly Journal of Economics* 889 (1992).

"The Division of Labor, Coordination Costs, and Knowledge," with Gary S. Becker, 107 *Quarterly Journal of Economics* 1137 (1992).

"Industrial Change and the Rising Importance of Skill" with Finis Welch, in Uneven Tides: Rising Inequality in America, pp. 101-132, ed. Peter Gottschalk and Sheldon Danziger. New York: Russell Sage Foundation Publications (1993).

"Wage Inequality and the Rise in Returns to Skill," with Chinhui Juhn and Brooks Pierce, 101 *Journal of Political Economy* 410 (1993).

"Occupational Change and the Demand for Skill, 1940-1990," with Finis Welch, 83 *American Economic Review* 122 (1993).

"Inequality and Relative Wages," with Finis Welch, 83 *American Economic Review* 104 (1993).

"Why Is Rent-Seeking So Costly to Growth?" with Andrei Shleifer and Robert W. Vishny, 83 *American Economic Review* 409 (1993).

"A Simple Theory of Advertising as a Good or Bad," with Gary S. Becker, 108 *Quarterly Journal of Economics* 941 (1993).

"Relative Wages and Skill Demand, 1940-1990," with Chinhui Juhn, in <u>Labor Markets, Employment Policy, and Job Creation,</u> pp. 343-60, ed. Lewis C. Solmon and Alec R. Levenson. The Milken Institute Series in Economics and Education. Boulder, CO: Westview Press, (1994).

"Cattle Cycles," with Sherwin Rosen and Jose A. Scheinkman, 102 *Journal of Political Economy* 468 (1994).

"An Empirical Analysis of Cigarette Addiction," with Gary S. Becker and Michael Grossman, 84 *American Economic Review* 396 (1994).

"Inequality in Labor Market Outcomes: Contrasting the 1980s and Earlier Decades," with Chinhui Juhn, 1 *Economic Policy Review* 26 (1995).

"Employment and the 1990-91 Minimum Wage Hike," with Donald R. Deere and Finis Welch, 85 *American Economic Review* 232 (1995).

"Examining the Evidence on Minimum Wages and Employment," with Donald R. Deere and Finis Welch, in <u>The Effects of the Minimum Wage on Employment</u>, pp. 26-54, ed. Marvin H. Kosters. Washington, D.C.: The AEI Press, (1996).

"Social Status, Education, and Growth," with Chaim Fershtman and Yoram Weissm, 104 *Journal of Political Economy* 108 (1996).

"Wage Inequality and Family Labor Supply," with Chinhui Juhn, 15 *Journal of Labor Economics* 72 (1997).

"Quality and Trade," with Andrei Shleifer, 53 *Journal of Development Economics* 1 (1997).

"Wage Inequality and Family Labor Supply," with Chinhui Juhn, 15 *Journal of Labor Economics* 72 (1997).

"Vertical Integration as a Self-Enforcing Contractual Arrangement," with Benjamin Klein, 87 *American Economic Review* 415 (1997).

"Unemployment and Nonemployment," with Robert H. Topel, 87 *American Economic Review* 295 (1997).

"Wages, Skills, and Technology in the United States and Canada," with W. Craig Riddell and Paul M. Romen, in <u>General Purpose Technologies and Economic Growth</u>, pp. 283-309, ed. Elhanan Helpman.  Cambridge, MA: M.I.T. Press, (1998).

"Perspectives on the Social Security Crisis and Proposed Solutions," with Finis Welch, 88 *American Economic Review* 142 (1998).

 "Population and Economic Growth," with Gary S. Becker and Edward Glaeser, 89 *American Economic Review* 145 (1999).

 "A Competitive Perspective on Internet Explorer," with Steven J. Davis, 90 *American Economic Review* 184 (2000).

"Industrial Change and the Demand for Skill" with Finis Welch, in <u>The Causes and Consequences of Increasing Inequality,</u> pp. 263-84, ed. Finis Welch.  Volume II in the Bush School Series in the Economics of Public Policy.  Chicago: University of Chicago Press, (2001).

"Wage Differentials in the 1990s: Is the Glass Half Full or Half Empty?" with Finis Welch, in *The Causes and Consequences of Increasing Inequality*, pp. 341-64, ed. Finis Welch.  Volume II in the Bush School Series in the Economics of Public Policy.  Chicago: University of Chicago Press, (2001).

"Economic Perspectives on Software Design: PC Operating Systems and Platforms," with Steven J. Davis and Jack MacCrisken, in <u>Microsoft, Antitrust, and the New Economy: Selected Essays</u>, pp. 361-420, ed. Davis S. Evans. Boston, MA: Kluwer, (2001).

"Current Unemployment, Historically Contemplated," with Robert H. Topel and Chinhui Juhn, 1 *Brookings Papers on Economic Activity* 79 (2002).

"The Economics of Copyright 'Fair Use' in A Networked World," with Andres Lerner and Benjamin Klein, 92 *American Economic Review* 205 (2002).

"The Economic Value of Medical Research" with Robert H. Topel, in <u>Measuring the Gains from Medical Research: An Economic Approach,</u> pp. 41-73, ed. Robert H. Topel and Kevin M. Murphy. Chicago: University of Chicago Press, (2003).

"School Performance and the Youth Labor Market," with Sam Peltzman, 22 *Journal of Labor Economics* 299 (2003).

"Entrepreneurial ability and market selection in an infant industry: evidence from the Japanese cotton spinning industry," with Atsushi Ohyama and Serguey Braguinsky, 7 *Review of Economic Dynamics* 354 (2004).

"Entry, Pricing, and Product Design in an Initially Monopolized Market," with Steven J. Davis and Robert H. Topel, 112 *Journal of Political Economy*: S188 (2004).

"Diminishing Returns: The Costs and benefits of Increased Longevity," with Robert H. Topel, 46 *Perspectives in Biology and Medicine* S108 (2004).

"Persuasion in Politics," with Andrei Shleifer, 94 *American Economic Review* 435 (May 2004).

"Black-White Differences in the Economic Value of Improving Health," with Robert H. Topel, 48 *Perspectives in Biology and Medicine* S176 (2005).

"The Equilibrium Distribution of Income and the Market for Status," with Gary S. Becker and Iván Werning, 113 *Journal of Political Economy* 282 (2005).

"The Market for Illegal Goods: The Case of Drugs," with Gary S. Becker and Michael Grossman, 114 *Journal of Political Economy* 38 (2006).

"Competition in Two Sided Markets: The Antitrust Economics of Payment Card Interchange Fees," with Benjamin Klein, Kevin Green, and Lacey Place, 73 *Antitrust Law Journal* 571 (2006).

"The Value of Health and Longevity," with Robert H. Topel, 114 *Journal of Political Economy* 871 (2006).

"Social Value and the Speed of Innovation," with Robert H. Topel, 97 *American Economic Review* 433 (2007).

"Education and Consumption: The Effects of Education in the Household Compared to the Marketplace," with Gary S. Becker, 1 *The Journal of Human Capital* 9 (Winter 2007).

"Why Does Human Capital Need a Journal?" with Isaac Ehrlich, 1 *The Journal of Human Capital* 1 (Winter 2007).

"Critical Loss Analysis in the *Whole Foods* Case" with Robert H. Topel, 3 (2) *GCP Magazine* (March 2008).

"Exclusive Dealing Intensifies Competition for Distribution," with Benjamin Klein, Antitrust Law Journal, Vol. 75 (October 2008).

"Fertility Decline, the Baby Boom and Economic Growth," with Curtis Simon and Robert Tamura, 2 *The Journal of Human Capital* 3 (Fall 2008).

"The Market for College Graduates and the Worldwide Boom in Higher Education of Women" with Gary S. Becker and William H. J. Hubbard, 100 *American Economic Review: Papers & Proceedings* 229 (May 2010).

"Explaining the Worldwide Boom in Higher Education of Women," with Gary S. Becker & William H. J. Hubbard," *Journal of Human Capital*, University of Chicago Press, vol. 4(3), 203 (2010).

"How Exclusivity is Used to Intensify Competition for Distribution-Reply to Zenger," with Benjamin Klein, *77 Antitrust Law Journal No. 2* (2011).

"Achieving Maximum Long-Run Growth," *forthcoming in the Federal Reserve Bank of Kansas City Proceedings of the Annual Jackson Hole Conference 2011.*

**Selected Working Papers**

"Gauging the Economic Impact of September 11th," with Gary S. Becker, Unpublished Working Paper (October 2001).

"War In Iraq Versus Containment: Weighing the Costs," with Steven J. Davis and Robert H. Topel, *NBER Working Paper No.12092* (March 2006).

"Estimating the Effect of the Crack Epidemic," with Steve Levitt and Roland Fryer, Unpublished Working Paper (September 2006).

"The Interaction of Growth in Population and Income," with Gary S. Becker, Unpublished Working Paper (2006).

"Persuasion and Indoctrination," with Gary Becker (2007).

"The Value of Life Near Its End and Terminal Care," with Gary S. Becker and Tomas Philipson (2007).

"On the Economics of Climate Policy," with Gary S. Becker and Robert H. Topel, Working Paper No. 234 (January 2010, Revised September 2010).

**Selected Comments**

Comment on "Causes of Changing Earnings Equality," by Robert Z. Lawrence. Federal Reserve Bank of Kansas City (1998).

"Comment: Asking the Right Questions in the Medicare Reform Debate," Medicare Reform: Issues and Answers, pp. 175-81, ed. Andrew J. Rettenmaier and Thomas R. Saving. Chicago: University of Chicago Press (2000).

Comment on "Social Security and Demographic Uncertainty," by Henning Bohn in Risk Aspects of Investment-Based Social Security Reform, ed. John Y. Campbell and Martin Feldstein. Chicago: University of Chicago Press (2001.)

Comment on "High Technology Industries and Market Structure," by Hal R. Varian. Federal Reserve Bank of Kansas City (2001).

**Popular Press Articles**

"The Education Gap Rap," *The American Enterprise,* (March-April 1990), pp. 62.

"Rethinking Antitrust," with Gary S. Becker, *Wall Street Journal*, (February 26, 2001) pp. pA22.

"Prosperity Will Rise Out of the Ashes," with Gary S. Becker, *Wall Street Journal*, (October 29, 2001) pp. pA22.

"The Economics of NFL Team Ownership" with Robert H. Topel, report prepared at the request of the National Football League Players' Association. (January 2009).

**Articles About Murphy**

"Higher Learning Clearly Means Higher Earning," by Carol Kleiman. *Chicago Tribune*, March 12, 1989, Jobs Section pp. 1. Long article about "The Structure of Wages" with picture of Murphy.

"Why the Middle Class Is Anxious," by Louis S. Richman. *Fortune*, May 21, 1990, pp. 106. Extensive reference to Murphy's work on returns to education.

"Unequal Pay Widespread in U.S.," by Louis Uchitelle., *New York Times,* August 14, 1990, Business Day section pp. 1. Long piece on income inequality.

"One Study's Rags to Riches Is Another's Rut of Poverty," by Sylvia Nasar, *New York Times*, June 17, 1992, Business Section pp. 1. Long piece on the income inequality research.

"Nobels Pile Up for Chicago, but Is the Glory Gone?" by Sylvia Nasar, *New York Times* November 4, 1993, Business Section pp. 1. Long piece on Chicago School of economics. Featured a photo of five of the "brightest stars on the economics faculty" (including Murphy) and a paragraph about Murphy's research.

"This Sin Tax is Win-Win," by Christopher Farrell. *Business Week*, April 11, 1994, pp. 30. Commentary section refers to Murphy, Becker, and Grossman's work on rational addiction.

"Growing inequality and the economics of fragmentation," by David Warsh, *Boston Sunday Globe*, August 21, 1994, pp. A1. Two-page article with picture and biographical details about Murphy and his research; part of a series about "how the new generation replaced the old in economics."

"A Pay Raise's Impact," by Louis Uchitelle. *New York Times*, January 12, 1995, Business Section pp. 1. Article about consequences of proposed increase in the minimum wage. Articles featuring Murphy's comments on the minimum wage appeared in numerous other publications, including the *Chicago Tribune*; in addition, Murphy was interviewed on CNN (January 26, 1995).

"The Undereducated American," *Wall Street Journal*, August 19, 1996, pp. A12. Changes in the rate of returns to education.

"In Honor of Kevin M. Murphy: Winner of the John Bates Clark Medal," by Finis Welch, 14 *Journal of Economic Perspectives* 193 (2000).

## Testimony, Reports, and Depositions (Last 4 Years)

Deposition of Kevin M. Murphy, January 15-16, 2008, in the Matter of New Motor Vehicles Canadian Export Antitrust Litigation., The United States District Court for the District of Maine.

Expert Report of Kevin M. Murphy, February 1, 2008, in the Matter of Allied Orthopedic Appliances, Inc., v. Tyco Healthcare Group L.P., The United States District Court for the Central District of California Western District.

Declaration of Kevin M. Murphy, February 22, 2008, in the Matter of Novelis Corporation v. Anheuser-Busch, Inc., The United States District Court for the Northern District of Ohio Eastern Division.

Deposition of Kevin M. Murphy, February 28, 2008, in the Matter of Allied Orthopedic Appliances, Inc., v. Tyco Healthcare Group L.P., The United States District Court for the Central District of California Western District.

Expert Report of Kevin M. Murphy, March 7, 2008, in the Matter of Sun Microsystems, Inc., et al. v. Hynix Semiconductor, Inc., et al. (Consolidated), Unisys Corporation v. Hynix Semiconductor, Inc., et al., Jaco Electronics, Inc. v. Hynix Semiconductor, Inc., et al., Edge Electronics, Inc. v. Hynix Semiconductor, Inc., et al., All American Semiconductor, Inc. v. Hynix Semiconductor, Inc., et al., DRAM Claims Liquidation Trust, by its Trustee Wells Fargo Bank, NA Hynix Semiconductor, et al., The United States District Court for the Northern District of California San Francisco Division.

Deposition of Kevin M. Murphy, April 24, 2008, in the Matter of Sun Microsystems, Inc., et al. v. Hynix Semiconductor, Inc., et al. (Consolidated), Unisys Corporation v. Hynix Semiconductor, Inc., et al., Jaco Electronics, Inc. v. Hynix Semiconductor, Inc., et al., Edge Electronics, Inc. v. Hynix Semiconductor, Inc., et al., All American Semiconductor, Inc. v. Hynix Semiconductor, Inc., et al., DRAM Claims Liquidation Trust, by its Trustee Wells Fargo Bank, NA Hynix Semiconductor, et al., The United States District Court for the Northern District of California San Francisco Division.

Initial Submission of Kevin M. Murphy, October 6, 2008, in the 2006 MSA Adjustment Proceeding.

Expert Report of Kevin M. Murphy, October 29, 2008, in the Matter of Fair Issac Corporation; and myFICO Consumer Services, Inc. vs. Equifax, Inc.; Equifax Information Services LLC; Experian Information Solutions Inc.; TransUnion, LLC; VantageScore Solutions LLC; and Does I through X., The United States District Court District of Minnesota.

Expert Report of Kevin M. Murphy, November 21, 2008, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc., The United States District Court for the District of Minnesota.

Expert Report of Kevin M. Murphy, November 21, 2008, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Deposition of Kevin M. Murphy, December 12, 2008, in the Matter of Fair Issac Corporation; and myFICO Consumer Services, Inc. vs. Equifax, Inc.; Equifax Information Services LLC; Experian Information Solutions Inc.; TransUnion, LLC; VantageScore Solutions LLC; and Does I through X., The United States District Court District of Minnesota.

Deposition of Kevin M. Murphy, December 15, 2008, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc., The United States District Court for the District of Minnesota.

Rebuttal Expert Report of Kevin M. Murphy, December 26, 2008, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Final Submission of Kevin M. Murphy, January 16, 2009, in the 2006 MSA Adjustment Proceeding.

Expert Report of Kevin M. Murphy, January 23, 2009, in the Matter of City of New York v. Amerada Hess Corp., et al., The United States District Court for the Southern District of New York. Report submitted on behalf of Citgo Petroleum Corporation.

Declaration of Kevin M. Murphy, January 29, 2009, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc., The United States District Court for the District of Minnesota.

Deposition of Kevin M. Murphy, February 10, 2009, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Expert Report of Kevin M. Murphy, February 13, 2009, in the Matter of City of New York v. Amerada Hess Corp., et al., The United States District Court for the Southern District of New York. Report submitted on behalf of Citgo Petroleum Corporation regarding Citgo's share of total RFG supply at the New York Harbor.

Expert Report of Kevin M. Murphy, March 3, 2009, in the Matter of St. Francis Medical Center, on behalf of itself and all others similarly situated vs. C.R. Bard, Inc., The United States District Court for the Eastern District of Missouri Southeastern Division.

Deposition of Kevin M. Murphy, March 6, 2009, in the Matter of St. Francis Medical Center, on behalf of itself and all others similarly situated vs. C.R. Bard, Inc., The United States District Court for the Eastern District of Missouri Southeastern Division.

Expert Report of Kevin M. Murphy, March 17, 2009, in the Matter of ZF Meritor LLC and Meritor Transmission Corporation v. Eaton Corporation., The United States District Court of Delaware. Case No. 06-CV-623.

Deposition of Kevin M. Murphy, April 6, 2009, in the Matter of ZF Meritor LLC and Meritor Transmission Corporation v. Eaton Corporation., The United States District Court of Delaware. Case No. 06-CV-623.

Declaration of Kevin M. Murphy, April 16, 2009, in the Matter of Sun Microsystems, Inc., a California corporation v. Hynix Semiconductor Inc., et al., The United States District Court Northern District of California San Francisco Division.

Declaration of Kevin M. Murphy, April 23, 2009, in the Matter of Sun Microsystems, Inc., a California corporation v. Hynix Semiconductor Inc., a Korean corporation,  Hynix Semiconductor America Inc., a California corporation, et al., The United States District Court Northern District of California San Francisco Division.

Expert Report of Kevin M. Murphy, May 11, 2009, in the Matter of Jim Hood, Attorney General ex rel State of Mississippi v. Microsoft Corporation., The Chancery Court of Hinds County First Judicial District.

Expert Report of Professor Kevin M. Murphy, June 12, 2009, in the Matter of CITGO Petroleum Corporation v. Ranger Enterprises, Inc., The United States District Court for the Western District of Wisconsin.

Expert Report of Kevin M. Murphy, June 24, 2009, in the Matter of Novell, Incorporated v. Microsoft Corporation., The United States District Court Northern District of Maryland.

Trial Testimony of Kevin M. Murphy, July 16, 2009, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Declaration of Kevin M. Murphy, August 14, 2009, in the Matter of EBay Seller Antitrust Litigation, The United States District Court for the Northern District of California. Declaration submitted in support of defendant Ebay Inc.'s motion for summary judgment.

Expert Report of Kevin M. Murphy, August 21, 2009, in the Matter of Go Computer, Inc., and S. Jerrold Kaplan v. Microsoft Corporation., The Superior Court for the State of California for the City and County of San Francisco.

Deposition of Kevin M. Murphy, September 16, 2009, in the Matter of Novell, Incorporated v. Microsoft Corporation., The United States District Court Northern District of Maryland.

Deposition of Kevin M. Murphy, September 21, 2009, in the Matter of Ebay Seller Antitrust Litigation., The United States District Court for the Northern District of California. Deposition in support of defendant Ebay Inc.'s motion for summary judgment.

Expert Report of Kevin M. Murphy, September 29, 2009, in the Matter of Motor Fuel Temperature Sales Litigation, The United States District Court of Kansas.

Trial Testimony of Kevin M. Murphy, October 1, 2009, in the Matter of ZF Meritor LLC and Meritor Transmission Corporation v. Eaton Corporation., The United States District Court of Delaware. Case No. 06-CV-623.

Declaration of Kevin M. Murphy, October 16, 2009, in the Matter of Ebay Seller Antitrust Litigation., The United States District Court for the Northern District of California. Declaration in further support of defendant Ebay Inc.'s motion for summary judgment.

Expert Report of Kevin M. Murphy, October 20, 2009, in the Matter of Advanced Micro Devices, Inc., and AMD International Sales & Service, LTD v. Intel Corporation and Intel Kabushiki Kaisha., The United States District Court for the District of Delaware.

Deposition of Kevin M. Murphy, October 24, 2009, in the Matter of Go Computer, Inc., and S. Jerrold Kaplan v. Microsoft Corporation., The Superior Court for the State of California for the City and County of San Francisco.

Deposition of Kevin M. Murphy, October 26, 2009, in the Matter of Motor Fuel Temperature Sales Litigation., The United States District Court of Kansas.

Expert Report of Kevin M. Murphy, December 14, 2009, in the Matter of Payment Card Interchange Fee and Merchant Discount Antitrust Litigation., The United States District Court for the Eastern District of New York.

Supplemental Expert Report of Kevin M. Murphy, December 21, 2009, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Trial Testimony of Kevin M. Murphy, January 11, 2010, in the Matter of Go Computer, Inc., and S. Jerrold Kaplan v. Microsoft Corporation., The Superior Court for the State of California for the City and County of San Francisco.

Supplemental Rebuttal Expert Report of Kevin M. Murphy, January 14, 2010, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Deposition of Kevin M. Murphy, January 26, 2010, in the Matter of Valassis Communications, Inc. v. News America Incorporated, a/k/a News America Marketing Group, News America FSI, Inc. a/k/a News America Marketing FSI, LLC and News America Marketing In-Store Services, Inc. a/a/a News American Marketing In-Store Services, LLC., The United States Third Circuit Court of Michigan Detroit Division. Case No. 07-706645.

Declaration of Kevin M. Murphy, January 28, 2010, in the Matter of Automobile Antitrust Cases I and II., The United States Superior Court of the State of California for the County of San Francisco.

Declaration of Kevin M. Murphy, April 2, 2010, in the Matter of the Application for the Determination of Interim License Fees for The Cromwell Group, Inc. and Affiliates, et al., The United States District Court Southern District of New York.

Deposition of Kevin M. Murphy, April 13-14, 2010, in the Matter of Payment Card Interchange Fee and Merchant Discount Antitrust Litigation., The United States District Court for the Eastern District of New York.

Supplemental Expert Report of Kevin M. Murphy, June 1, 2010, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc. (corrected June 8, 2010)., The United States District Court for the District of Minnesota.

Expert Report of Kevin M. Murphy, June 21, 2010, in the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc., for Consent to Assign Licenses or Transfer Control of Licensees., Federal Communications Commission.

Supplement to Expert Report of Kevin M. Murphy, June 24, 2010, in the Matter of Payment Card Interchange Fee and Merchant Discount Antitrust Litigation., The United States District Court for the Eastern District of New York.

Second Supplemental Expert Report of Kevin M. Murphy, July 6, 2010, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc., The United States District Court for the District of Minnesota.

Deposition of Kevin M. Murphy, July 8, 2010, in the Matter of Insignia Systems, Inc. v. News America Marketing In-Store, Inc., The United States District Court for the District of Minnesota.

Expert Report of Kevin M. Murphy, July 28, 2010, in the Matter of Commonwealth of Pennsylvania by Thomas W. Corbett, Jr., in his capacity as Attorney General of the Commonwealth of Pennsylvania v. TAP Pharmaceutical Products, Inc., et al.,  in the Commonwealth Court of Pennsylvania, No. 212 MD 2004.

Response of Kevin M. Murphy to Reply Report of Mark Israel and Michael Katz, August 19, 2010, in the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc., for Consent to Assign Licenses or Transfer Control of Licensees., Federal Communications Commission.

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Declaration of Kevin M. Murphy, November 12, 2010, in the Matter of RWJ Management Company, Inc. v. BP Products North America, Inc., The United States District Court for the Northern District of Illinois Eastern Division.

Expert Report of Kevin M. Murphy, November 15, 2010, in the Matter of RWJ Management Company, Inc. v. BP Products North America, Inc., The United States District Court for the Northern District of Illinois Eastern Division.

Expert Report of Kevin M. Murphy, November 19, 2010, in the Matter of Craft, et al., v. Philip Morris Companies, Inc., a corporation, and Philip Morris Incorporated, a corporation, Missouri Circuit Court, Twenty-Second Judicial District (City of St. Louis), Case No. 002-00406-02.

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Expert Report of Kevin M. Murphy, July 20, 2012, in the Matter of American Airlines v. Sabre, Inc., Sabre Holdings Corp., and Sabre Travel International Ltd., The United States Judicial District Tarrant County, Texas 67th Judicial District.

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Expert Report of Kevin M. Murphy, October 10, 2102, in the Matter of Avery Dennison Corporation v. 3M Innovative Properties and 3M Company, The United States District Court for the District of Minnesota.

**Appendix B: Materials Relied Upon**

| Court Documents |
| --- |
| Plaintiffs' Notice of Motion and Motion for Class Certification, and Memorandum of Law in Support (October 1, 2012) |
| Consolidated Amended Complaint in Re: High-Tech Employee Antitrust Litigation (September 2, 2011) |
| Expert Report of Edward E. Leamer, Ph.D. (October 1, 2012) |
| Leamer Backup |
| Plaintiffs' First Set of Requests for Production of Documents (October 3, 2011) |
| Declaration of Tina M. Evangelista in Support of Opposition to Class Certification |
| Declaration of Chris Galy |
| Declaration of Danny McKell in Support of Defendant's Opposition to Plaintiff's Motion for Class Certification |
| Declaration of Donna Morris of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Frank Wagner in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Jeff Vijungco of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Lori McAdams in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Mason Stubblefield |
| Declaration of Michelle Maupin in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Steven Burmeister in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Declaration of Rosemary Arriada Keiper of Adobe Systems Inc. in Support of Defendants' Opposition to Plaintiffs' Motion for Class Certification |
| Deposition of Lori McAdams and Exhibits (August 2, 2012) |
| Deposition of Arnnon Geshuri and Exhibits (August 17, 2012) |
| Deposition of Danielle Lambert and Exhibits (October 2, 2012) |
| Deposition of Donna Morris and Exhibits (August 21 ,2012) |
| Deposition of James Morris and Exhibits (August 3, 2012) |
| Deposition of Jeffrey Vijungco and Exhibits (October 5, 2012) |
| Deposition of Mark Bentley and Exhibits (August 23, 2012) |
| Deposition of Michael Devine and Exhibits (October 24, 2012) |
| Deposition of Brandon Marshall and Exhibits (October 22, 2012) |
| Deposition of Daniel Stover and Exhibits (October 29, 2012) |
| Deposition of Mark Fichtner and Exhibits (October 15, 2012) |
| Deposition of Siddharth Hariharan and Exhibits (October 12, 2012) |
| Deposition of Edward Leamer and Exhibits (October 26, 2012) |

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| Deposition of Jack Gilmore and Exhibits (June 28, 2012) |
| Deposition of Denise Miller and Exhibits (June 28, 2012) |
| Deposition of Steven Burmeister and Exhibits (June 27, 2012) |
| Deposition of Shawna Dougherty and Exhibits (July 12, 2012) |
| Deposition of Mai Tran and Exhibits (June 26, 2012) |
| Deposition of John Schirm and Exhibits (June 29, 2012) |
| Deposition of Jaime Yu and Exhibits (July 17, 2012) |
| Deposition of Matthew Howard and Exhibits (July 17, 2012) |
| Deposition of Shiloh Kuz and Exhibits (June 26, 2012) |
| Deposition of Michelle Deneau and Exhibits (June 26, 2012) |
| Deposition of Robert DeMartini and Exhibits (June 26, 2012) |
| Deposition of Rebecca del Torro and Exhibits (June 21, 2012) |
| Deposition of Amber Gay Remaley and Exhibits (June 21, 2012) |
| Deposition of Mary Kathleen Galle and Exhibits (June 21, 2012) |
| Deposition of Eleterio Cruzat and Exhibits (June 22, 2012) |
| Plaintiff Michael Devine's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012) |
| Plaintiff Mark Fichtner Answers and Objections to Defendants' First Set of Interrogatories (March 28, 2012) |
| Plaintiff Siddharth Hariharan's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012) |
| Plaintiff Brandon Marshall's Answers and Objections to Defendants' First Set of Interrogatories (March 27, 2012) |
| Plaintiff Daniel Stover's Answers and Objections to Defendants' First Set of Interrogatories (March 28, 2012) |
| Final Judgment in United States of America v. Adobe Systems Inc. et al (March 17, 2011) |
| [Proposed] Final Judgment in United States of America v. Lucasfilm Ltd. (May 9, 2011) |
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| **Interviews Conducted by Kevin Murphy** |
| August 23, 2012:  Jeff Vijungco, Adobe |
| August 23, 2012:  Donna Morris, Adobe |
| July 27, 2012: Interview with Mark Bentley, Apple |
| August 30, 2012: Interview with Steve Burmeister, Apple |
| August 31, 2012:  Interview with Seth Williams, Google |
| August 30, 2012: Interview with Frank Wagner, Google |
| July 25, 2012: Interview with Christina Dickenson, Intel |
| June 19, 2012: Interview with Danny McKell, Intel |
| July 26, 2012: Interview with Mason Stubbenfeld, Intuit |
| September 6, 2012: Interview with Chris Galy, Intuit |
| August 30, 2012:  Interview with Michelle Maupin, Lucasfilm |
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| **Bates Documents** |
| 76550DOC000014 |
| 231APPLE04166 |
| 76583DOC001487 |
| |
| **Other** |
| Pixar Data - Pixar revenues 2005 - 2011.xlsx |

# Appendix 1A

## Analysis of Hires from Other Defendants

### (All-Salaried Employee Class)

**Panel A: 2001-2012**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 6 | 0 | 2 | 0 | | 10 | 1,351 | **1,369** | 0.00% | 0.44% | 0.00% | 0.15% | 0.00% | | 0.73% |
| Pixar | 3 | 8 | 6 | 1 | 2 | 12 | | 1,335 | **1,367** | 0.22% | 0.59% | 0.44% | 0.07% | 0.15% | 0.88% | |
| All Defendants | **222** | **218** | **54** | **293** | **98** | **37** | **35** | **91,014** | **91,971** | **0.24%** | **0.24%** | **0.06%** | **0.32%** | **0.11%** | **0.04%** | **0.04%** |

**Panel B: 2001-2004**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 1 | 0 | 1 | 0 | | 3 | 402 | **407** | 0.00% | 0.25% | 0.00% | 0.25% | 0.00% | | 0.74% |
| Pixar | 0 | 4 | 0 | 0 | 1 | 3 | | 431 | **439** | 0.00% | 0.91% | 0.00% | 0.00% | 0.23% | 0.68% | |
| All Defendants | **34** | **45** | **0** | **34** | **15** | **6** | **5** | **23,042** | **23,181** | **0.15%** | **0.19%** | **0.00%** | **0.15%** | **0.06%** | **0.03%** | **0.02%** |

**Panel C: 2005-2009**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 5 | 0 | 1 | 0 | | 5 | 788 | **799** | 0.00% | 0.63% | 0.00% | 0.13% | 0.00% | | 0.63% |
| Pixar | 1 | 3 | 5 | 1 | 1 | 6 | | 657 | **674** | 0.15% | 0.45% | 0.74% | 0.15% | 0.15% | 0.89% | |
| All Defendants | **104** | **97** | **27** | **167** | **44** | **17** | **18** | **43,595** | **44,069** | **0.24%** | **0.22%** | **0.06%** | **0.38%** | **0.10%** | **0.04%** | **0.04%** |

**Panel D: 2010-2012**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 0 | 0 | 0 | 0 | | 2 | 161 | **163** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | 1.23% |
| Pixar | 2 | 1 | 1 | 0 | 0 | 3 | | 247 | **254** | 0.79% | 0.39% | 0.39% | 0.00% | 0.00% | 1.18% | |
| All Defendants | **84** | **76** | **27** | **92** | **39** | **14** | **12** | **24,377** | **24,721** | **0.34%** | **0.31%** | **0.11%** | **0.37%** | **0.16%** | **0.06%** | **0.05%** |

Note:  This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Source: Dr. Leamer's employee data.

# Appendix 1B

## Analysis of Separations Going to Other Defendants
### (All-Salaried Employee Class)

**Panel A: 2001-2012**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 9 | 15 | 1 | 0 | | 12 | 1,490 | 1,527 | 0.00% | 0.59% | 0.98% | 0.07% | 0.00% | | 0.79% |
| Pixar | 0 | 11 | 6 | 2 | 0 | 7 | | 726 | 752 | 0.00% | 1.46% | 0.80% | 0.27% | 0.00% | 0.93% | |
| All Defendants | 122 | 326 | 336 | 35 | 74 | 15 | 31 | 72,287 | 73,226 | 0.17% | 0.45% | 0.46% | 0.05% | 0.10% | 0.02% | 0.04% |

**Panel B: 2001-2004**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 3 | 2 | 0 | 0 | | 4 | 580 | 589 | 0.00% | 0.51% | 0.34% | 0.00% | 0.00% | | 0.68% |
| Pixar | 0 | 2 | 1 | 0 | 0 | 3 | | 229 | 235 | 0.00% | 0.85% | 0.43% | 0.00% | 0.00% | 1.28% | |
| All Defendants | 28 | 55 | 24 | 3 | 22 | 5 | 9 | 25,399 | 25,545 | 0.11% | 0.22% | 0.09% | 0.01% | 0.09% | 0.02% | 0.04% |

**Panel C: 2005-2009**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 3 | 5 | 1 | 0 | | 5 | 655 | 669 | 0.00% | 0.45% | 0.75% | 0.15% | 0.00% | | 0.75% |
| Pixar | 0 | 4 | 3 | 2 | 0 | 2 | | 329 | 340 | 0.00% | 1.18% | 0.88% | 0.59% | 0.00% | 0.59% | |
| All Defendants | 70 | 151 | 182 | 17 | 39 | 8 | 16 | 35,375 | 35,858 | 0.20% | 0.42% | 0.51% | 0.05% | 0.11% | 0.02% | 0.04% |

**Panel D: 2010-2012**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 3 | 8 | 0 | 0 | | 3 | 255 | 269 | 0.00% | 1.12% | 2.97% | 0.00% | 0.00% | | 1.12% |
| Pixar | 0 | 5 | 2 | 0 | 0 | 2 | | 168 | 177 | 0.00% | 2.82% | 1.13% | 0.00% | 0.00% | 1.13% | |
| All Defendants | 24 | 120 | 130 | 15 | 13 | 2 | 6 | 11,513 | 11,823 | 0.20% | 1.01% | 1.10% | 0.13% | 0.11% | 0.02% | 0.05% |

Note:  This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.

Source: Dr. Leamer's employee data.

# Appendix 1C

# Analysis of Hires from Other DNCC Defendants
## (All-Salaried Employee Class)

**Panel A: 2001-2012**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 16 | 1,353 | **1,369** | 1.17% | 98.83% |
| Pixar | 21 | 1,346 | **1,367** | 1.54% | 98.46% |
| **All Defendants** | **725** | **91,246** | **91,971** | **0.79%** | **99.21%** |

**Panel B: 2001-2004**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 4 | 403 | **407** | 0.98% | 99.02% |
| Pixar | 7 | 432 | **439** | 1.59% | 98.41% |
| **All Defendants** | **110** | **23,071** | **23,181** | **0.47%** | **99.53%** |

**Panel C: 2005-2009**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 10 | 789 | **799** | 1.25% | 98.75% |
| Pixar | 10 | 664 | **674** | 1.48% | 98.52% |
| **All Defendants** | **346** | **43,723** | **44,069** | **0.79%** | **99.21%** |

**Panel D: 2010-2012**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 2 | 161 | **163** | 1.23% | 98.77% |
| Pixar | 4 | 250 | **254** | 1.57% | 98.43% |
| **All Defendants** | **269** | **24,452** | **24,721** | **1.09%** | **98.91%** |

Notes:

This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

# Appendix 1D

# Analysis of Separations Going to Other DNCC Defendants
## (All-Salaried Employee Class)

**Panel A: 2001-2012**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 21 | 1,506 | **1,527** | 1.38% | 98.62% |
| Pixar | 20 | 732 | **752** | 2.66% | 97.34% |
| **All Defendants** | **712** | **72,514** | **73,226** | **0.97%** | **99.03%** |

**Panel B: 2001-2004**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 7 | 582 | **589** | 1.19% | 98.81% |
| Pixar | 5 | 230 | **235** | 2.13% | 97.87% |
| **All Defendants** | **116** | **25,429** | **25,545** | **0.45%** | **99.55%** |

**Panel C: 2005-2009**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 8 | 661 | **669** | 1.20% | 98.80% |
| Pixar | 8 | 332 | **340** | 2.35% | 97.65% |
| **All Defendants** | **350** | **35,508** | **35,858** | **0.98%** | **99.02%** |

**Panel D: 2010-2012**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 6 | 263 | **269** | 2.23% | 97.77% |
| Pixar | 7 | 170 | **177** | 3.95% | 96.05% |
| **All Defendants** | **246** | **11,577** | **11,823** | **2.08%** | **97.92%** |

Notes:

This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

# Appendix 2A

## Analysis of Hires from Other Defendants

### (Technical, Creative and R&D Class)

**Panel A: 2001-2012**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 5 | 0 | 0 | 0 | | 6 | 532 | **543** | 0.00% | 0.92% | 0.00% | 0.00% | 0.00% | | 1.10% |
| Pixar | 2 | 7 | 3 | 1 | 2 | 8 | | 762 | **785** | 0.25% | 0.89% | 0.38% | 0.13% | 0.25% | 1.02% | |
| **All Defendants** | **159** | **150** | **29** | **191** | **59** | **24** | **25** | **53,110** | **53,747** | **0.30%** | **0.28%** | **0.05%** | **0.36%** | **0.11%** | **0.04%** | **0.05%** |

**Panel B: 2001-2004**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 0 | 0 | 0 | 0 | | 1 | 56 | **57** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | 1.75% |
| Pixar | 0 | 3 | 0 | 0 | 1 | 1 | | 234 | **239** | 0.00% | 1.26% | 0.00% | 0.00% | 0.42% | 0.42% | |
| **All Defendants** | **17** | **32** | **0** | **17** | **7** | **3** | **2** | **12,271** | **12,349** | **0.14%** | **0.26%** | **0.00%** | **0.14%** | **0.06%** | **0.02%** | **0.02%** |

**Panel C: 2005-2009**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 5 | 0 | 0 | 0 | | 5 | 387 | **397** | 0.00% | 1.26% | 0.00% | 0.00% | 0.00% | | 1.26% |
| Pixar | 0 | 3 | 3 | 1 | 1 | 4 | | 394 | **406** | 0.00% | 0.74% | 0.74% | 0.25% | 0.25% | 0.99% | |
| **All Defendants** | **81** | **65** | **15** | **99** | **29** | **10** | **18** | **25,718** | **26,035** | **0.31%** | **0.25%** | **0.06%** | **0.38%** | **0.11%** | **0.04%** | **0.07%** |

**Panel D: 2010-2012**

| Hiring Company | Last Previous Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 0 | 0 | 0 | 0 | | 0 | 89 | **89** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% |
| Pixar | 2 | 1 | 0 | 0 | 0 | 3 | | 134 | **140** | 1.43% | 0.71% | 0.00% | 0.00% | 0.00% | 2.14% | |
| **All Defendants** | **61** | **53** | **14** | **75** | **23** | **11** | **5** | **15,121** | **15,363** | **0.40%** | **0.34%** | **0.09%** | **0.49%** | **0.15%** | **0.07%** | **0.03%** |

Note:  This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Source: Dr. Leamer's employee data.

# Appendix 2B

# Analysis of Separations Going to Other Defendants

## (Technical, Creative and R&D Class)

**Panel A: 2001-2012**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 3 | 7 | 1 | 0 | | 5 | 333 | 349 | 0.00% | 0.86% | 2.01% | 0.29% | 0.00% | | 1.43% |
| Pixar | 0 | 7 | 5 | 2 | 0 | 5 | | 378 | 397 | 0.00% | 1.76% | 1.26% | 0.50% | 0.00% | 1.26% | |
| All Defendants | 74 | 223 | 259 | 23 | 37 | 9 | 18 | 36,356 | 36,999 | 0.20% | 0.60% | 0.70% | 0.06% | 0.10% | 0.02% | 0.05% |

**Panel B: 2001-2004**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 0 | 0 | 0 | 0 | | 0 | 7 | 7 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% |
| Pixar | 0 | 1 | 1 | 0 | 0 | 3 | | 106 | 111 | 0.00% | 0.90% | 0.90% | 0.00% | 0.00% | 2.70% | |
| All Defendants | 21 | 25 | 12 | 1 | 11 | 3 | 3 | 11,001 | 11,077 | 0.19% | 0.23% | 0.11% | 0.01% | 0.10% | 0.03% | 0.03% |

**Panel C: 2005-2009**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 0 | 1 | 1 | 0 | | 2 | 197 | 201 | 0.00% | 0.00% | 0.50% | 0.50% | 0.00% | | 1.00% |
| Pixar | 0 | 4 | 3 | 2 | 0 | 2 | | 175 | 186 | 0.00% | 2.15% | 1.61% | 1.08% | 0.00% | 1.08% | |
| All Defendants | 41 | 102 | 143 | 12 | 20 | 6 | 9 | 18,863 | 19,196 | 0.21% | 0.53% | 0.74% | 0.06% | 0.10% | 0.03% | 0.05% |

**Panel D: 2010-2012**

| Separation Company | Next Company within 1 year | | | | | | | | | Percentage of Row Total | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar | Other | Total | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
| Adobe | | | | | | | | | | | | | | | | |
| Apple | | | | | | | | | | | | | | | | |
| Google | | | | | | | | | | | | | | | | |
| Intel | | | | | | | | | | | | | | | | |
| Intuit | | | | | | | | | | | | | | | | |
| Lucasfilm | 0 | 3 | 6 | 0 | 0 | | 3 | 129 | 141 | 0.00% | 2.13% | 4.26% | 0.00% | 0.00% | | 2.13% |
| Pixar | 0 | 2 | 1 | 0 | 0 | 0 | | 97 | 100 | 0.00% | 2.00% | 1.00% | 0.00% | 0.00% | 0.00% | |
| All Defendants | 12 | 96 | 104 | 10 | 6 | 0 | 6 | 6,492 | 6,726 | 0.18% | 1.43% | 1.55% | 0.15% | 0.09% | 0.00% | 0.09% |

Note:  This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.
Source: Dr. Leamer's employee data.

# Appendix 2C

# Analysis of Hires from Other DNCC Defendants
## (Technical, Creative and R&D Class)

**Panel A: 2001-2012**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 11 | 532 | **543** | 2.03% | 97.97% |
| Pixar | 16 | 769 | **785** | 2.04% | 97.96% |
| **All Defendants** | **482** | **53,265** | **53,747** | **0.90%** | **99.10%** |

**Panel B: 2001-2004**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 1 | 56 | **57** | 1.75% | 98.25% |
| Pixar | 4 | 235 | **239** | 1.67% | 98.33% |
| **All Defendants** | **61** | **12,288** | **12,349** | **0.49%** | **99.51%** |

**Panel C: 2005-2009**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 10 | 387 | **397** | 2.52% | 97.48% |
| Pixar | 8 | 398 | **406** | 1.97% | 98.03% |
| **All Defendants** | **228** | **25,807** | **26,035** | **0.88%** | **99.12%** |

**Panel D: 2010-2012**

| Hiring Company | Last Previous Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 0 | 89 | **89** | 0.00% | 100.00% |
| Pixar | 4 | 136 | **140** | 2.86% | 97.14% |
| **All Defendants** | **193** | **15,170** | **15,363** | **1.26%** | **98.74%** |

Notes:

This analysis excludes hires indicated as acquisitions and hires showing the same defendant company as their immediate previous employer within one year of the hiring.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

# Appendix 2D

# Analysis of Separations Going to Other DNCC Defendants
## (Technical, Creative and R&D Class)

**Panel A: 2001-2012**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 8 | 341 | **349** | 2.29% | 97.71% |
| Pixar | 14 | 383 | **397** | 3.53% | 96.47% |
| **All Defendants** | **498** | **36,501** | **36,999** | **1.35%** | **98.65%** |

**Panel B: 2001-2004**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 0 | 7 | **7** | 0.00% | 100.00% |
| Pixar | 4 | 107 | **111** | 3.60% | 96.40% |
| **All Defendants** | **61** | **11,016** | **11,077** | **0.55%** | **99.45%** |

**Panel C: 2005-2009**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 2 | 199 | **201** | 1.00% | 99.00% |
| Pixar | 8 | 178 | **186** | 4.30% | 95.70% |
| **All Defendants** | **248** | **18,948** | **19,196** | **1.29%** | **98.71%** |

**Panel D: 2010-2012**

| Separation Company | Next Company within 1 year | | | Percentage of Row Total | |
|---|---|---|---|---|---|
| | DNCC Defendant | Non DNCC-Defendant | Total | DNCC Defendant | Non DNCC-Defendant |
| Adobe | | | | | |
| Apple | | | | | |
| Google | | | | | |
| Intel | | | | | |
| Intuit | | | | | |
| Lucasfilm | 6 | 135 | **141** | 4.26% | 95.74% |
| Pixar | 2 | 98 | **100** | 2.00% | 98.00% |
| **All Defendants** | **189** | **6,537** | **6,726** | **2.81%** | **97.19%** |

Notes:

This analysis excludes separations that appear as immediately rehired by the same defendant company within one year.

Adobe allegedly had a DNCC agreement with Apple.

Apple allegedly had DNCC agreements with Adobe, Google, Intel, Intuit, Lucasfilm, and Pixar.

Google allegedly had DNCC agreements with Apple, Intel, and Intuit.

Intel allegedly had DNCC agreements with Apple, Google, and Pixar.

Intuit allegedly had DNCC agreements with Apple and Google.

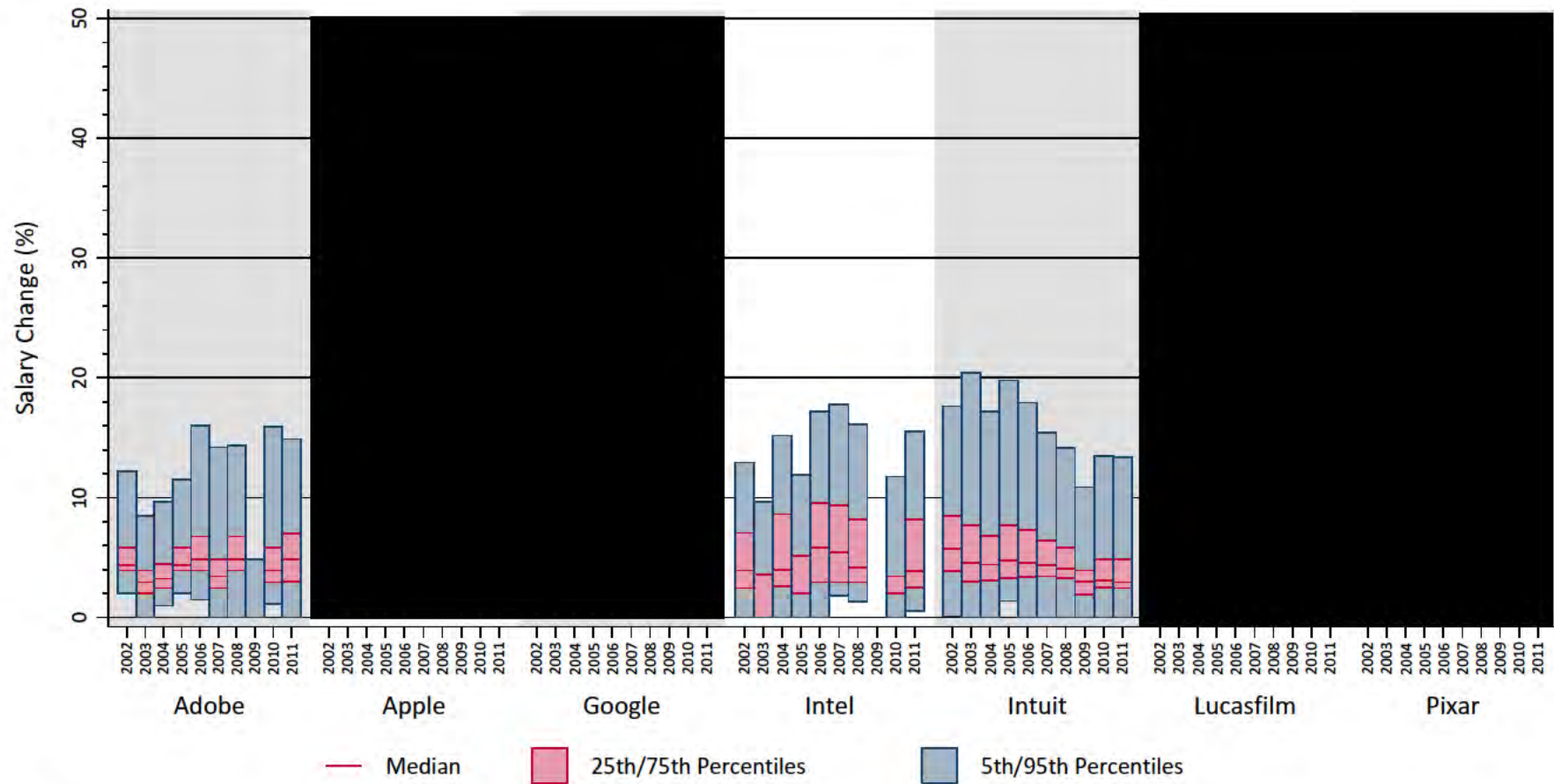Lucasfilm allegedly had DNCC agreements with Apple and Pixar.

Pixar allegedly had DNCC agreements with Apple, Intel, and Lucasfilm.

Source: Dr. Leamer's employee data.

**Appendix 3A**
## Distributions of Annual Changes in Base Salaries
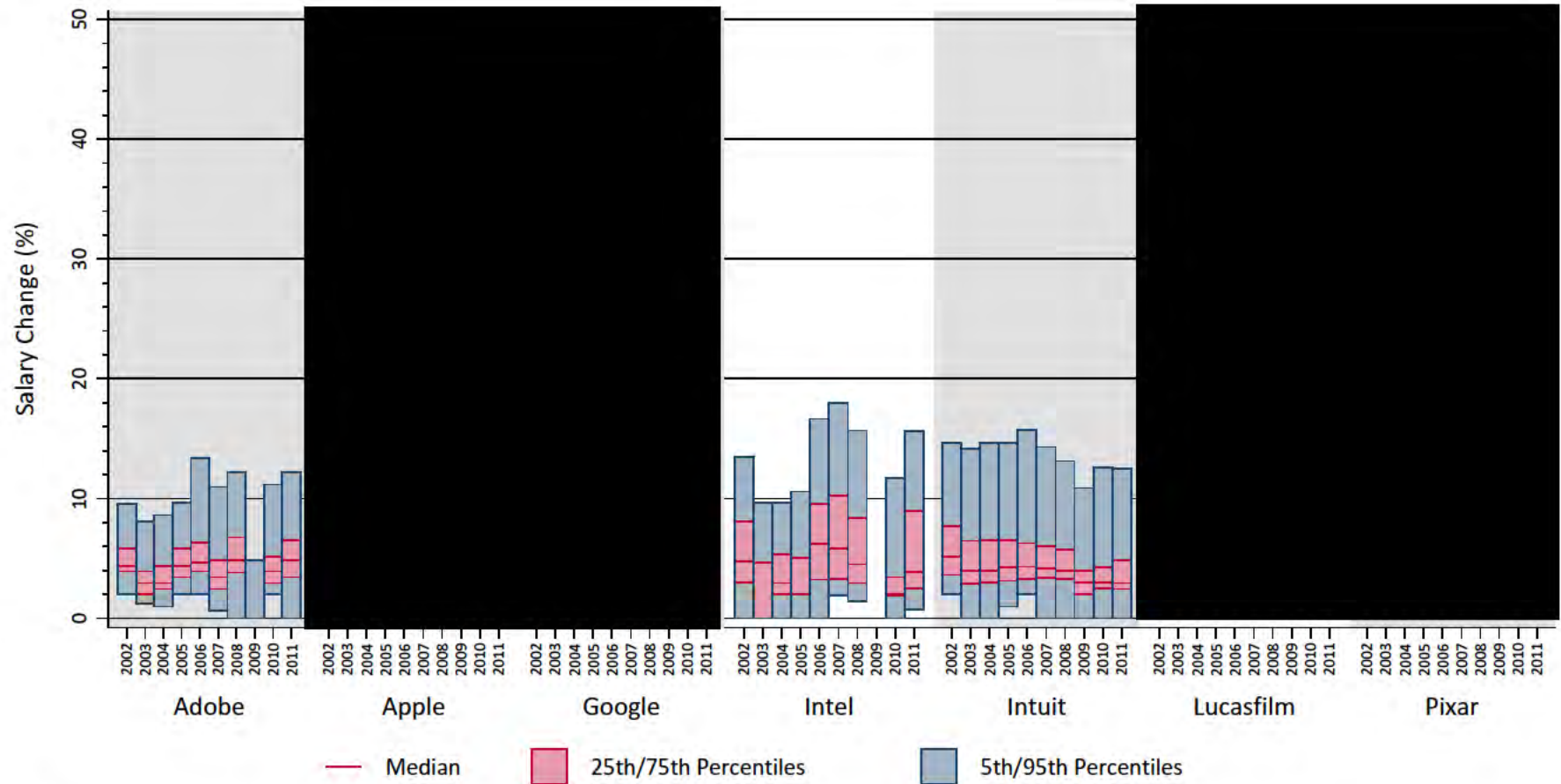### All Salaried Employee Class



Notes:
[1] Percent salary changes are defined as the log of the current year's salary minus the log of the previous year's salary multiplied by 100.
[2] Some defendants had salary freezes in certain years. The 95th percentile salary change was zero at Intel in 2009; and the 75th percentile salary change was zero at Adobe in 2009, Apple in 2002, and Pixar in 2003.

Source: Dr. Leamer's backup data and materials.

## Appendix 3B
## Distributions of Annual Changes in Base Salaries
### Technical, Creative, and R&D Class



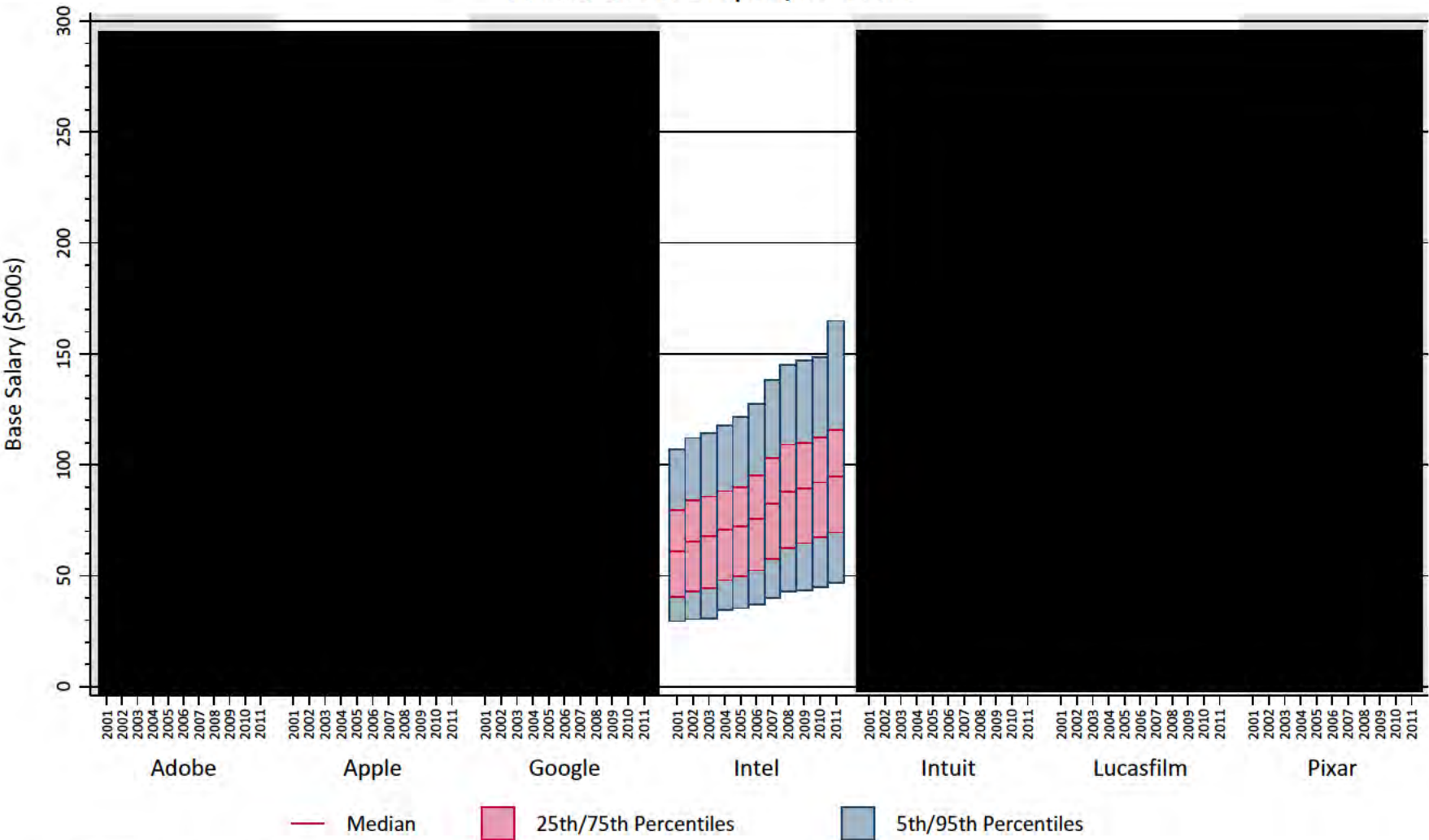Legend: — Median    � 25th/75th Percentiles    ▦ 5th/95th Percentiles

**Notes:**
[1] Percent salary changes are defined as the log of the current year's salary minus the log of the previous year's salary multiplied by 100.
[2] Some defendants had salary freezes in certain years. The 95th percentile salary change was zero at Intel in 2009 and Pixar in 2003; and the 75th percentile salary change was zero at Adobe in 2009, Apple in 2002, and Google in 2002.

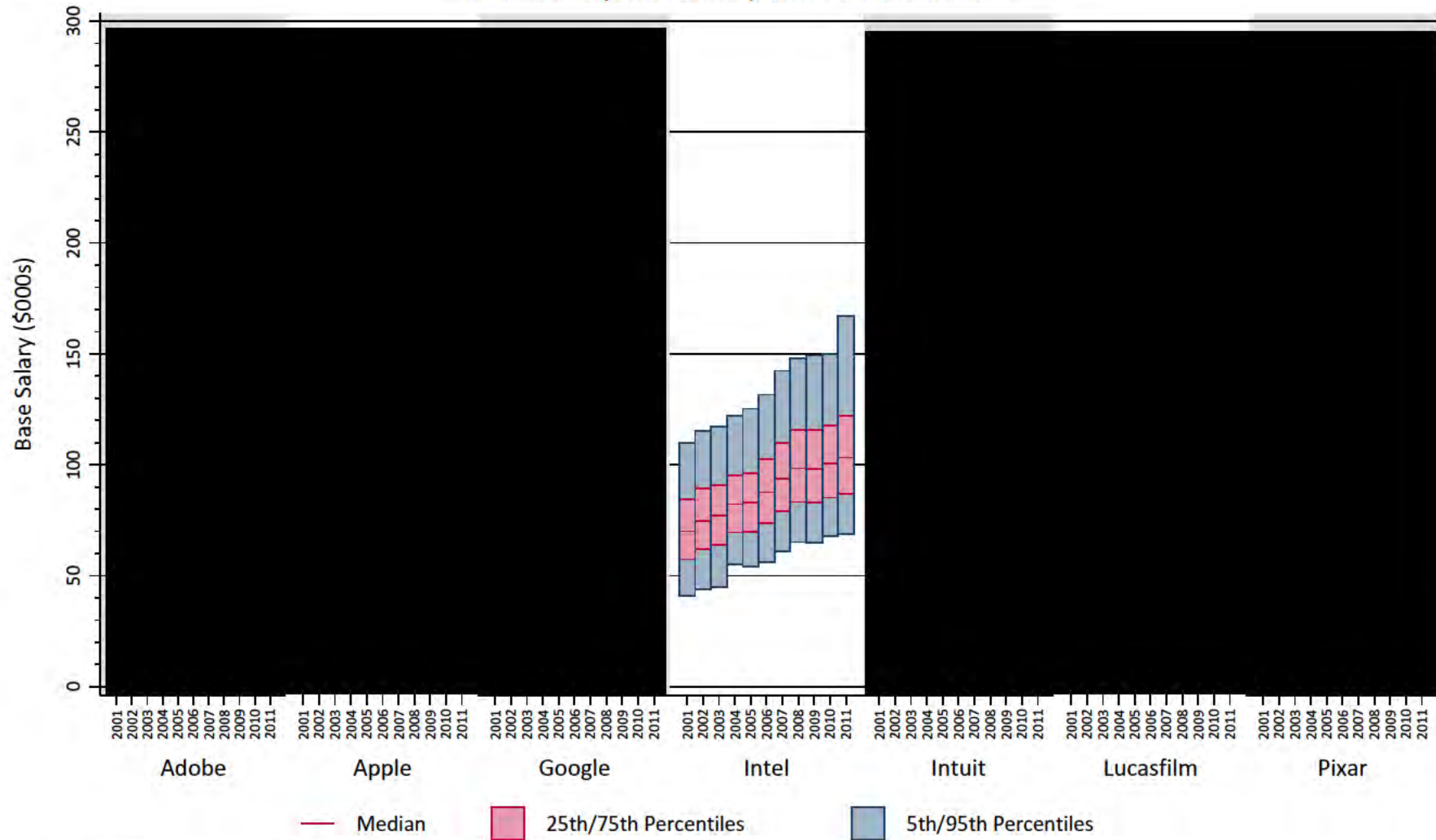Source: Dr. Leamer's backup data and materials.

## Appendix 4A
## Distributions of Base Salaries
### All Salaried Employee Class



Base Salary ($000s)

Adobe   Apple   Google   Intel   Intuit   Lucasfilm   Pixar

— Median      ■ 25th/75th Percentiles      ■ 5th/95th Percentiles

Source: Dr. Leamer's backup data and materials.

**Appendix 4B**
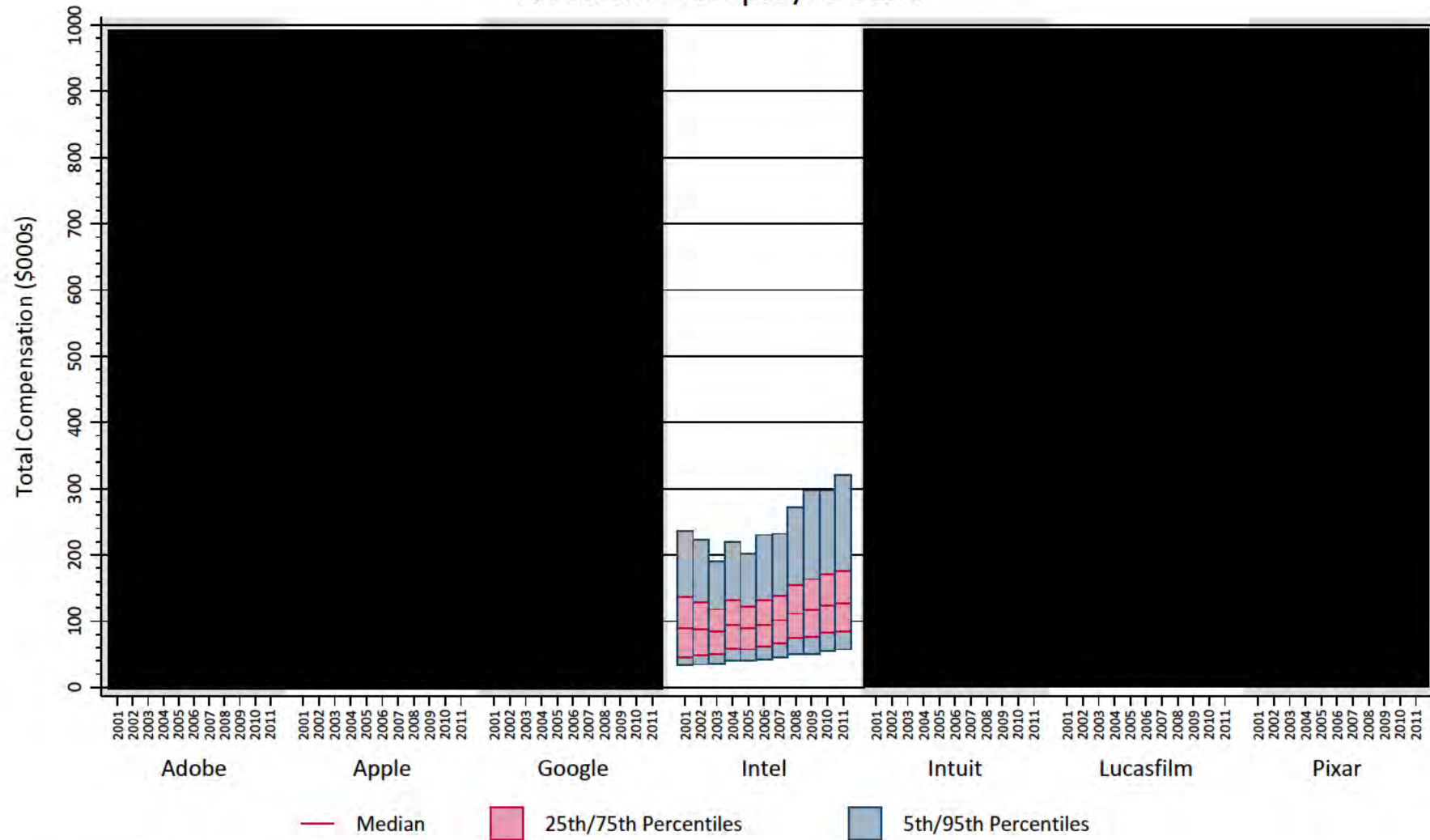## Distributions of Base Salaries
### Technical, Creative, and R&D Class

Source: Dr. Leamer's backup data and materials.
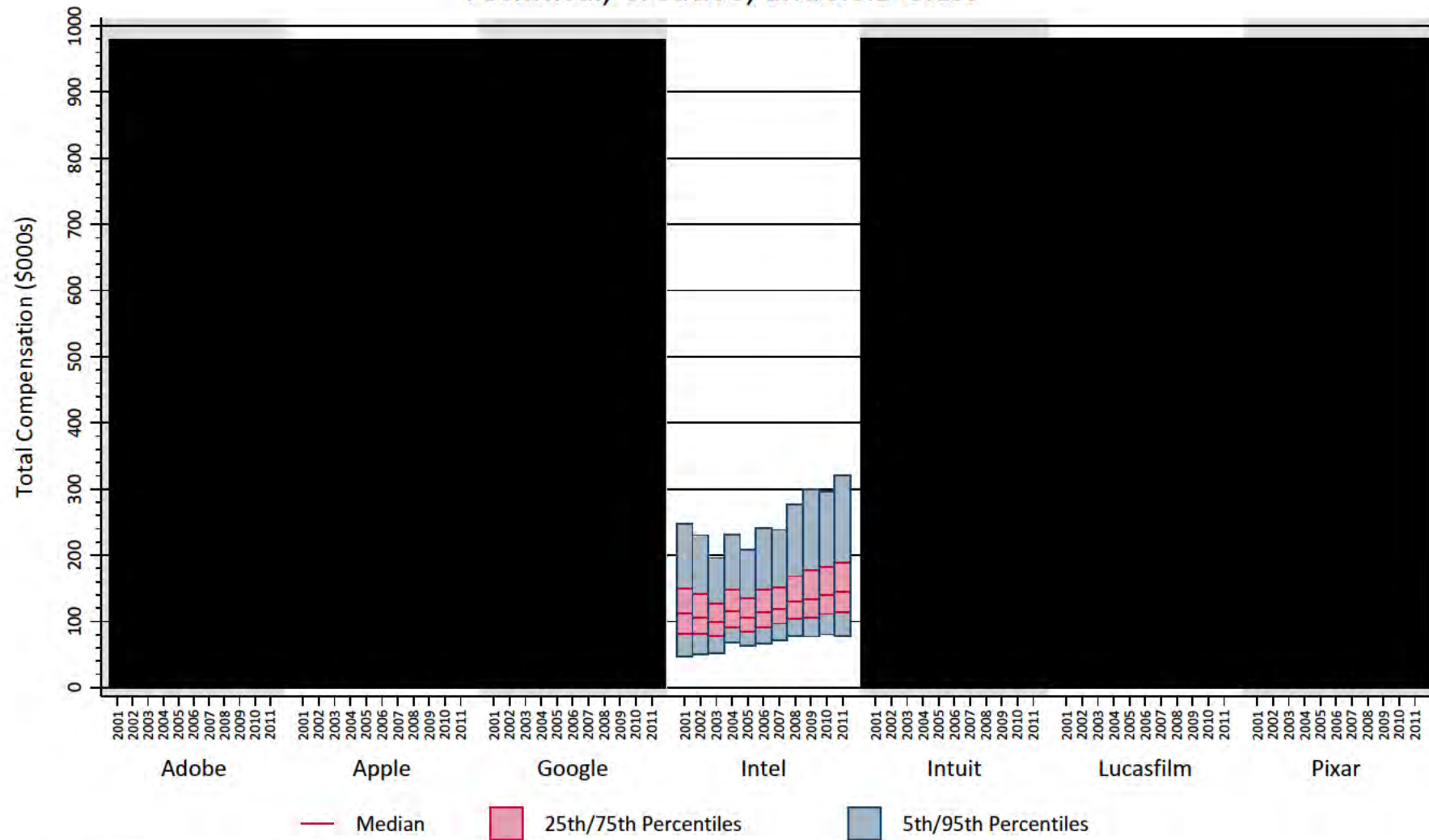
## Appendix 4C
## Distributions of Total Compensation
### All Salaried Employee Class



Total Compensation ($000s)

Adobe   Apple   Google   Intel   Intuit   Lucasfilm   Pixar

— Median    ■ 25th/75th Percentiles    ■ 5th/95th Percentiles

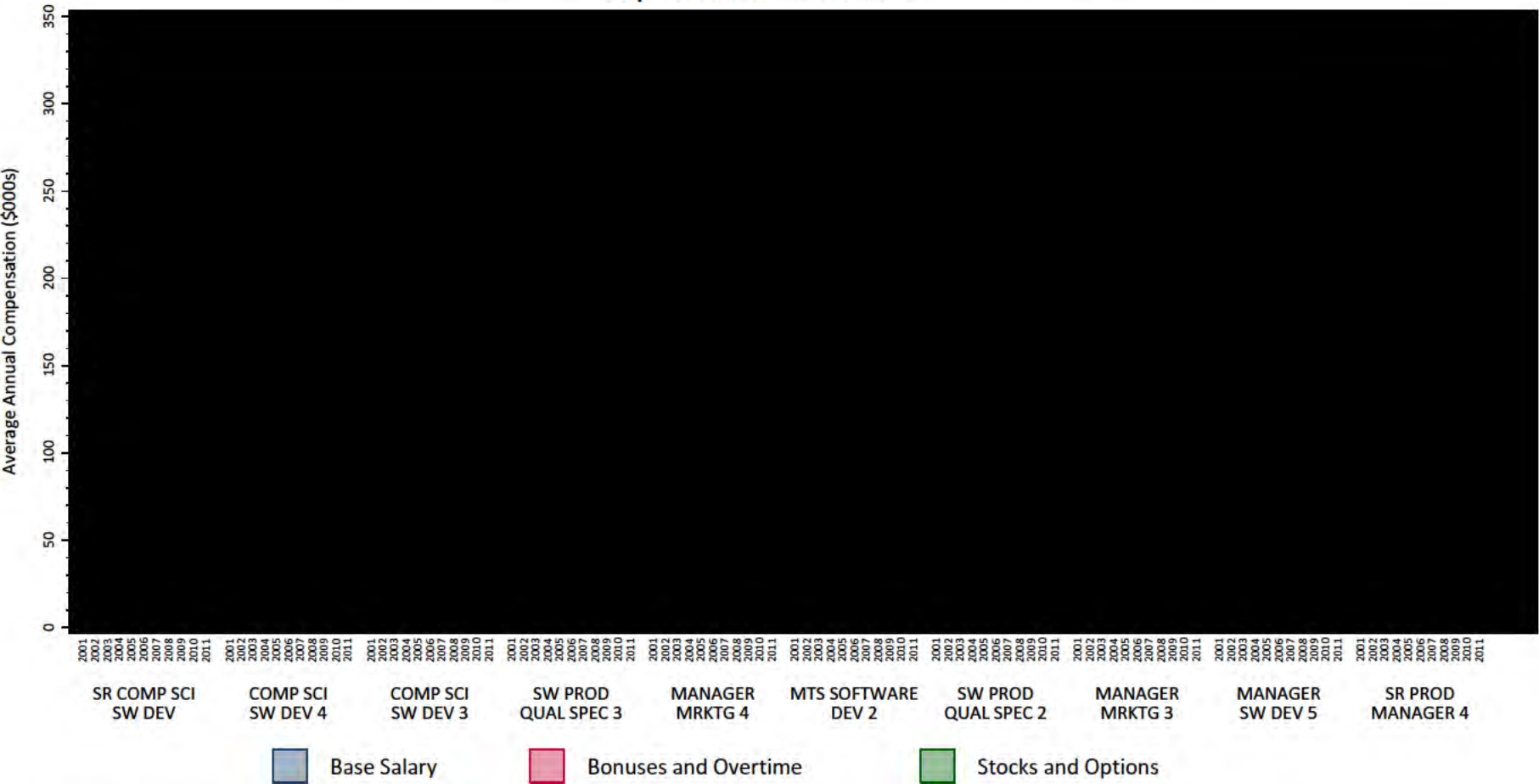Source: Dr. Leamer's backup data and materials.

**Appendix 4D**
## Distributions of Total Compensation
### Technical, Creative, and R&D Class

Source: Dr. Leamer's backup data and materials.

**Appendix 5A**
## Composition of Total Compensation for Major Jobs
### Top 10 Adobe Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

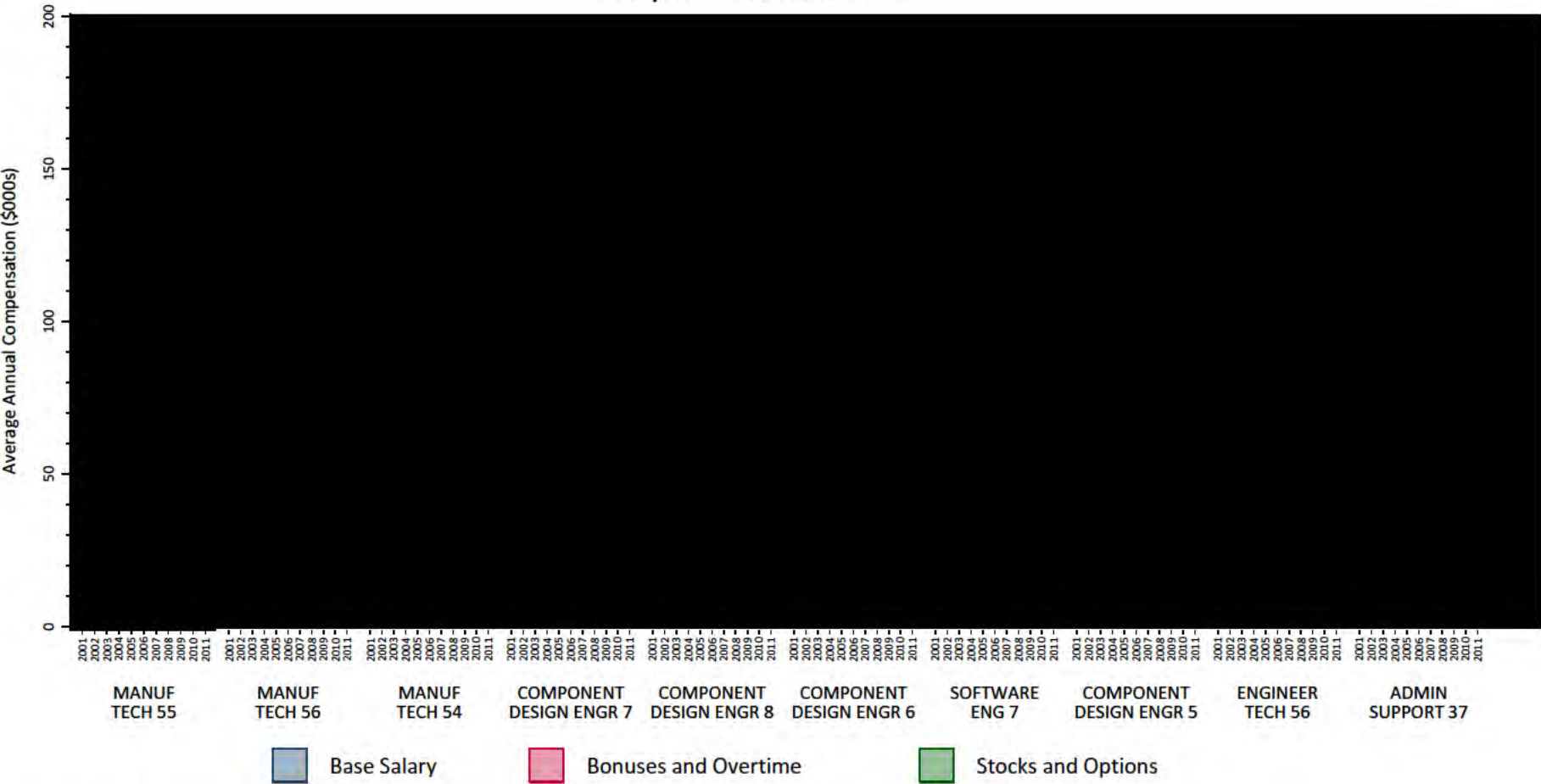Source: Dr. Leamer's backup data and materials.

# Appendix 5B
## Composition of Total Compensation for Major Jobs
## Top 10 Intel Jobs



**Notes:**
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

## Appendix 5C
## Composition of Total Compensation for Major Jobs
### Top 10 Intuit Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
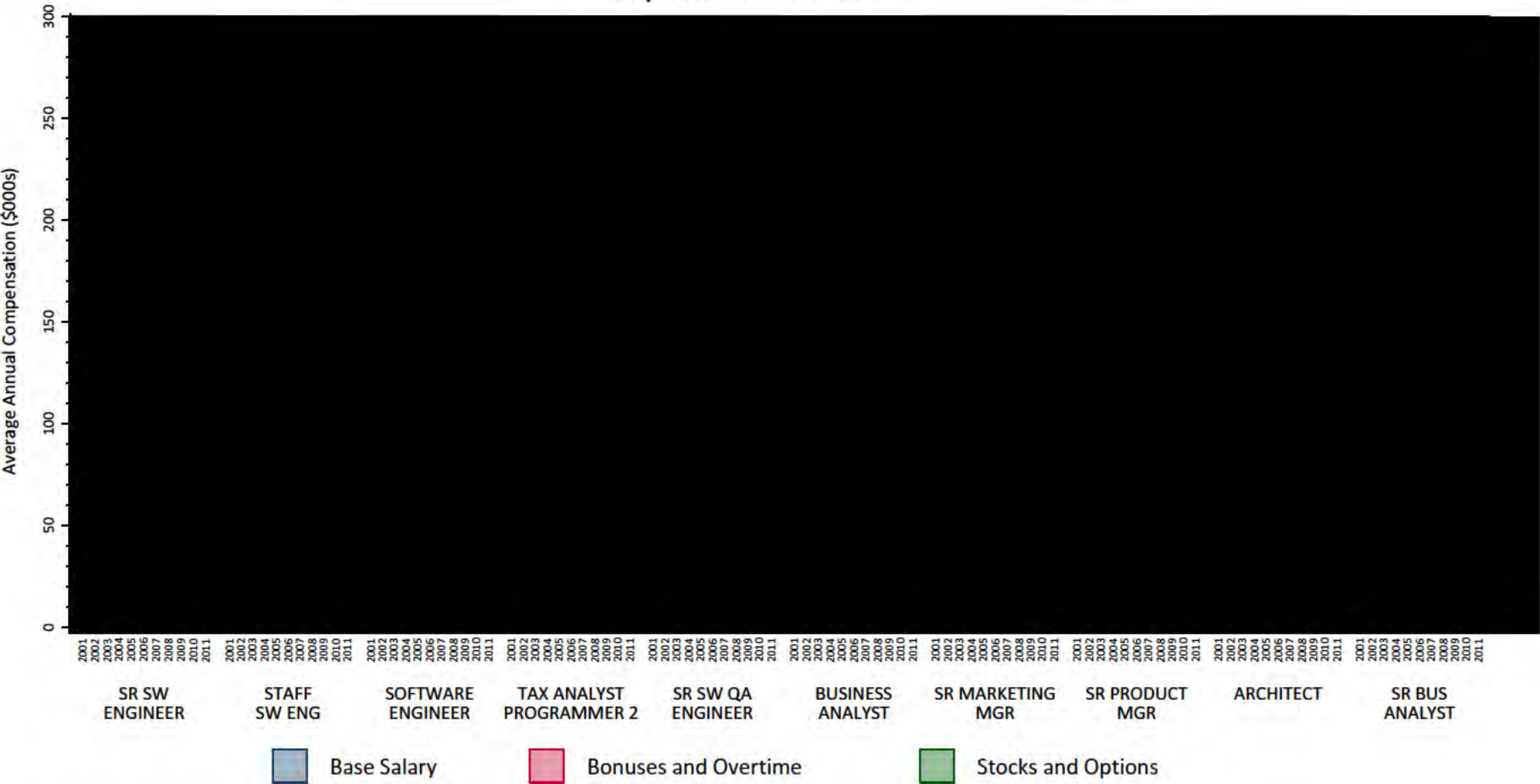
Source: Dr. Leamer's backup data and materials.

## Appendix 5D
## Composition of Total Compensation for Major Jobs
### Top 10 Lucasfilm Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

**Appendix 5E**
## Composition of Total Compensation for Major Jobs
### Top 10 Pixar Jobs



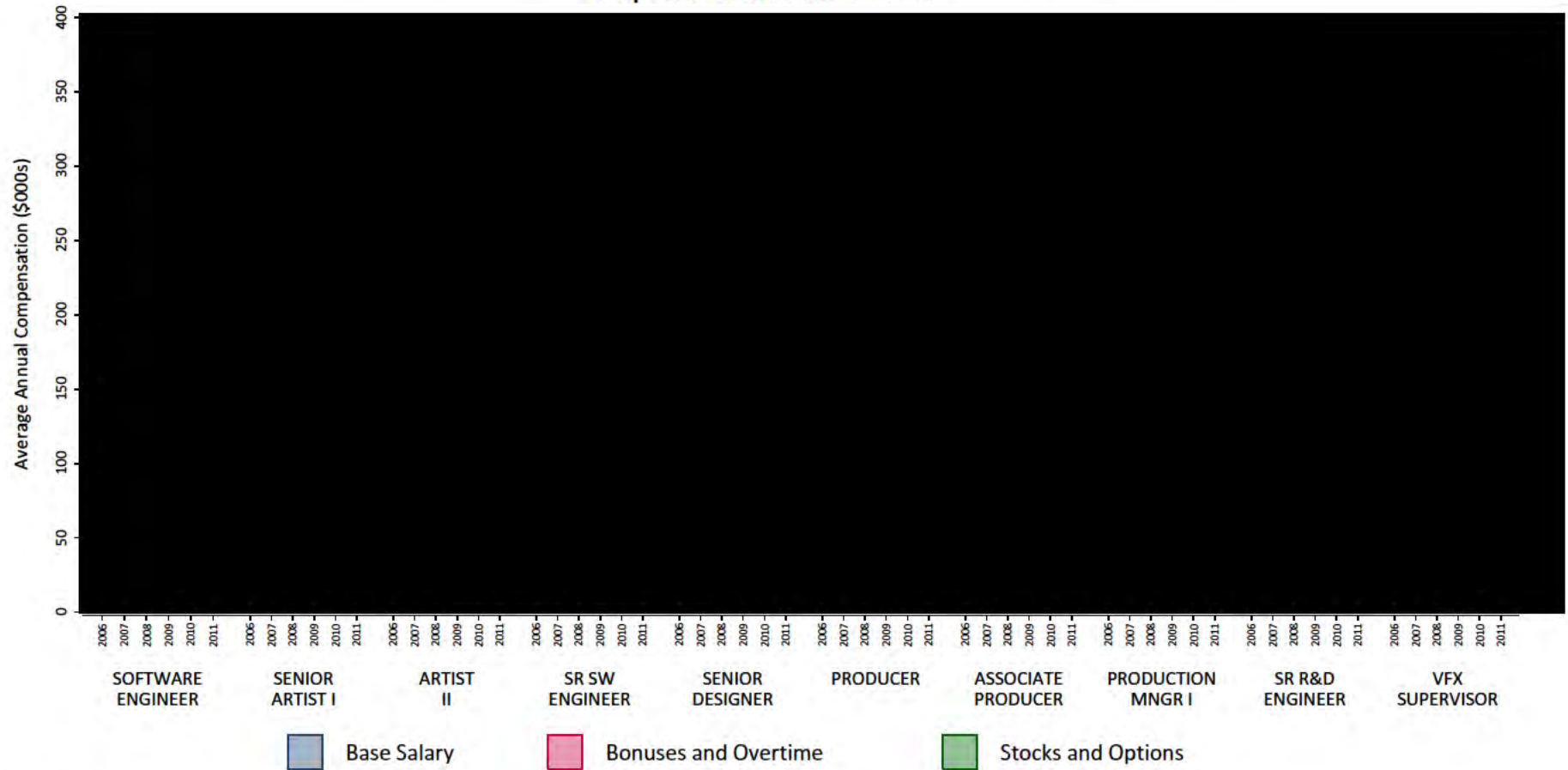Base Salary          Bonuses and Overtime          Stocks and Options

Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

**Appendix 6A**
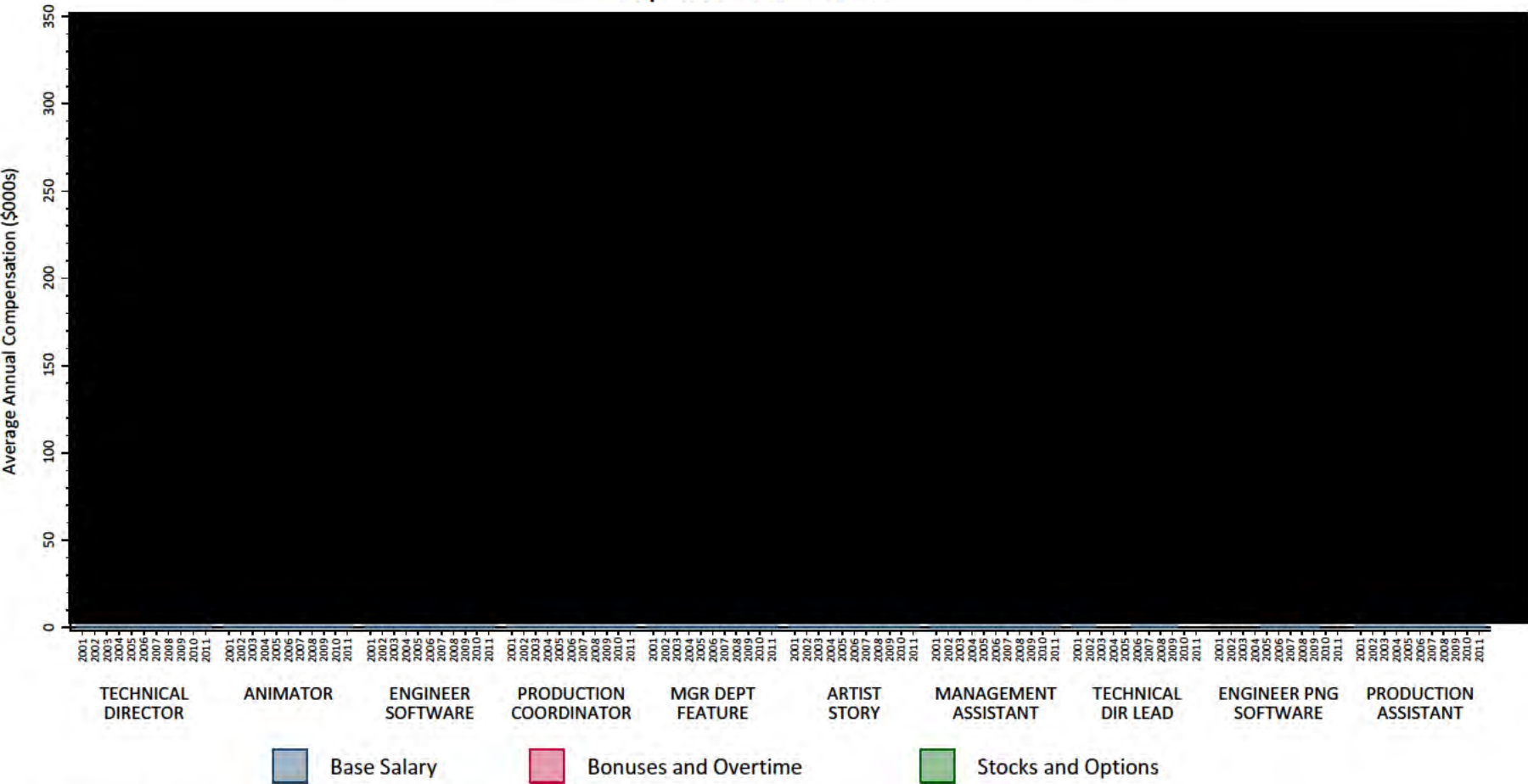## Distributions of Annual Changes in Total Compensation
### Top 10 Adobe Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

**Appendix 6B**

## Distributions of Annual Changes in Total Compensation

### Top 10 Intel Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

**Appendix 6C**
## Distributions of Annual Changes in Total Compensation
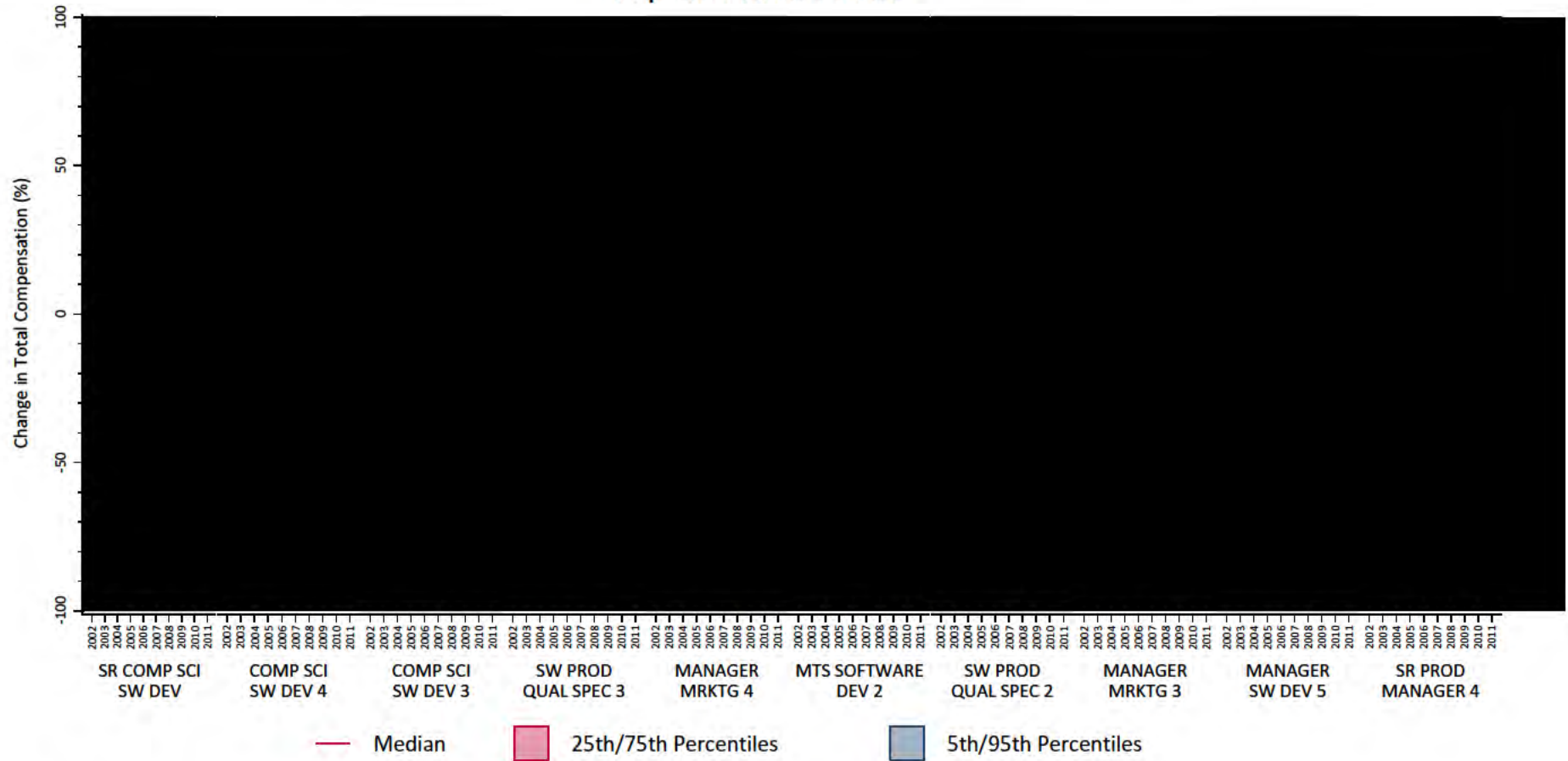## Top 10 Intuit Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

**Appendix 6D**
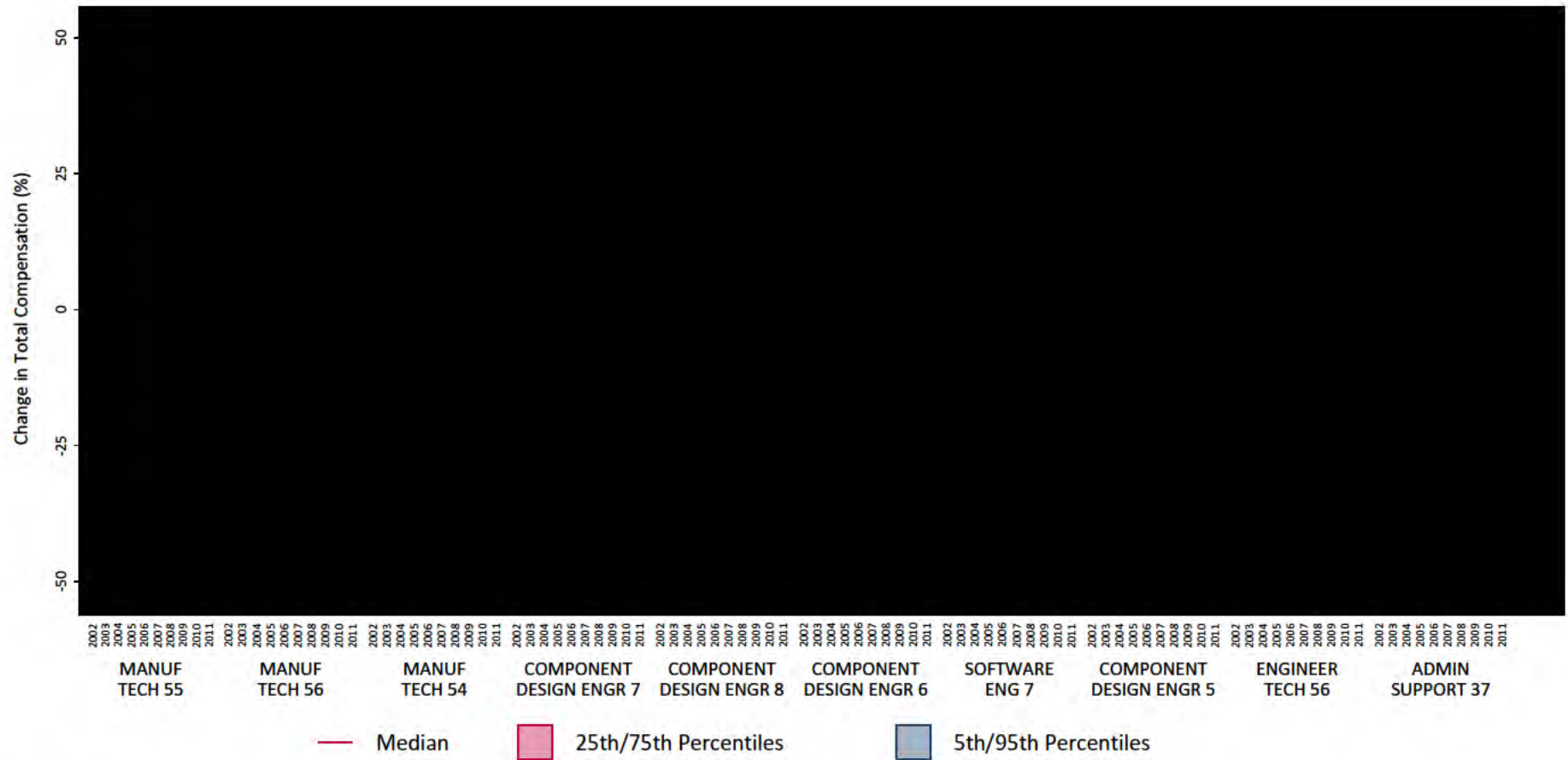## Distributions of Annual Changes in Total Compensation
### Top 10 Lucasfilm Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Percent changes are defined as differences in logs.
[4] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

# Appendix 6E
## Distributions of Annual Changes in Total Compensation
## Top 10 Pixar Jobs



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[3] Percent changes are defined as differences in logs.

Source: Dr. Leamer's backup data and materials.

## Appendix 7A
# Difference between Actual Compensation and Dr. Leamer Predicted Compensation
## Top 10 Adobe Jobs



**Notes:**
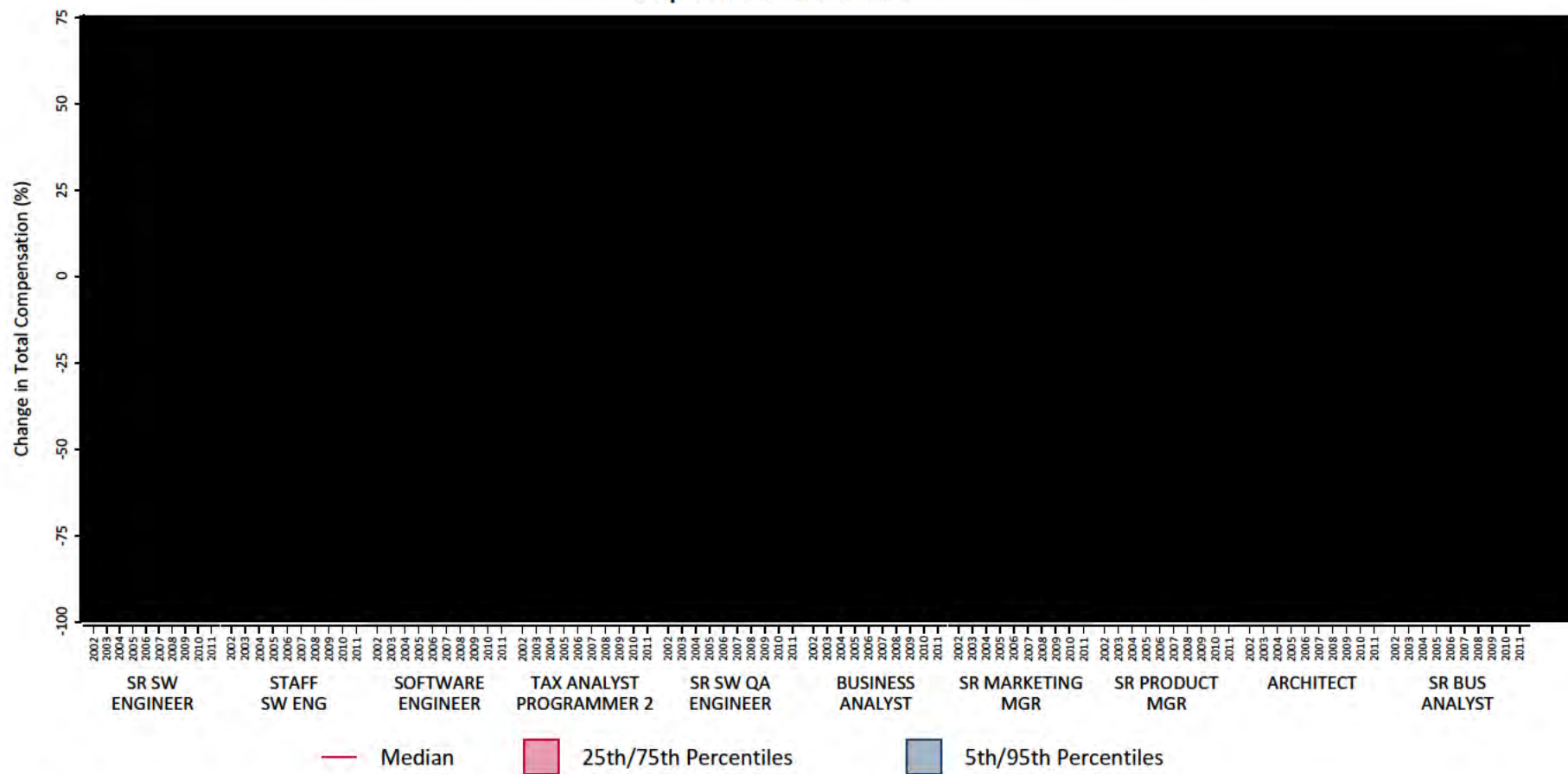[1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
[2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

**Appendix 7B**

# Difference between Actual Compensation and Dr. Leamer Predicted Compensation

## Top 10 Intel Jobs



Notes:
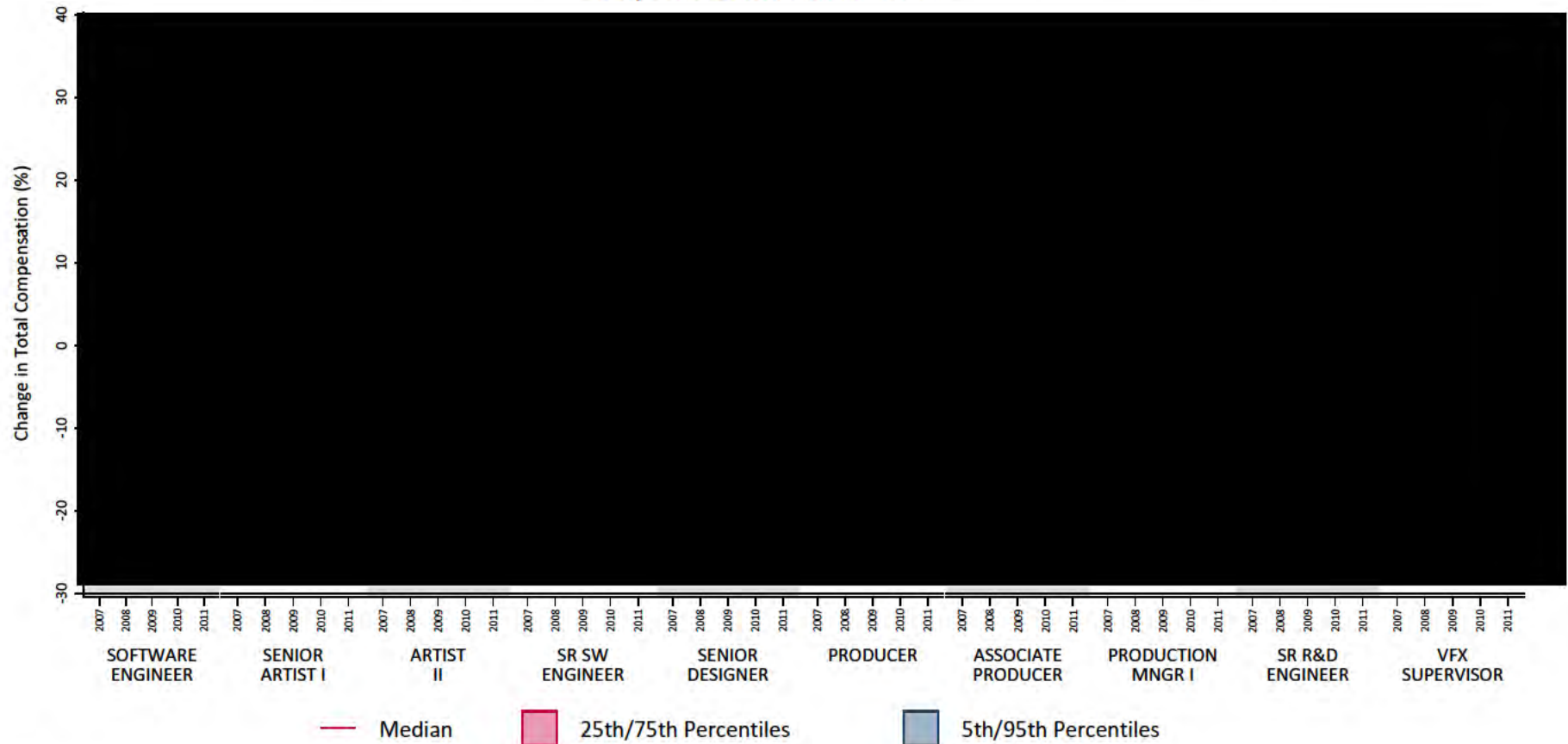[1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
[2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

**Appendix 7C**

# Difference between Actual Compensation and Dr. Leamer Predicted Compensation

## Top 10 Intuit Jobs



Median — 25th/75th Percentiles — 5th/95th Percentiles

Notes:
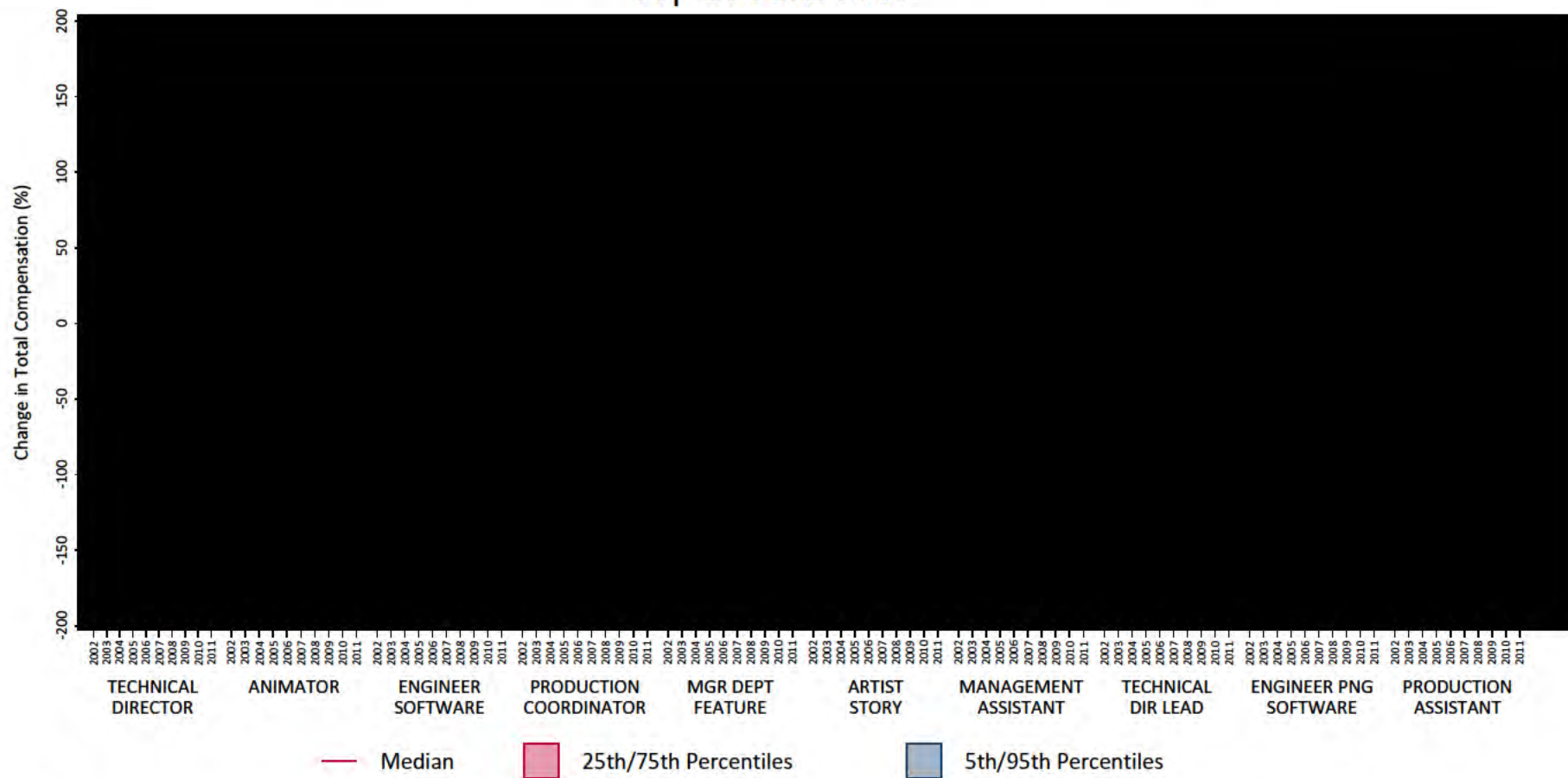[1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
[2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

**Appendix 7D**

# Difference between Actual Compensation and Dr. Leamer Predicted Compensation

## Top 10 Lucasfilm Jobs



**Notes:**
[1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
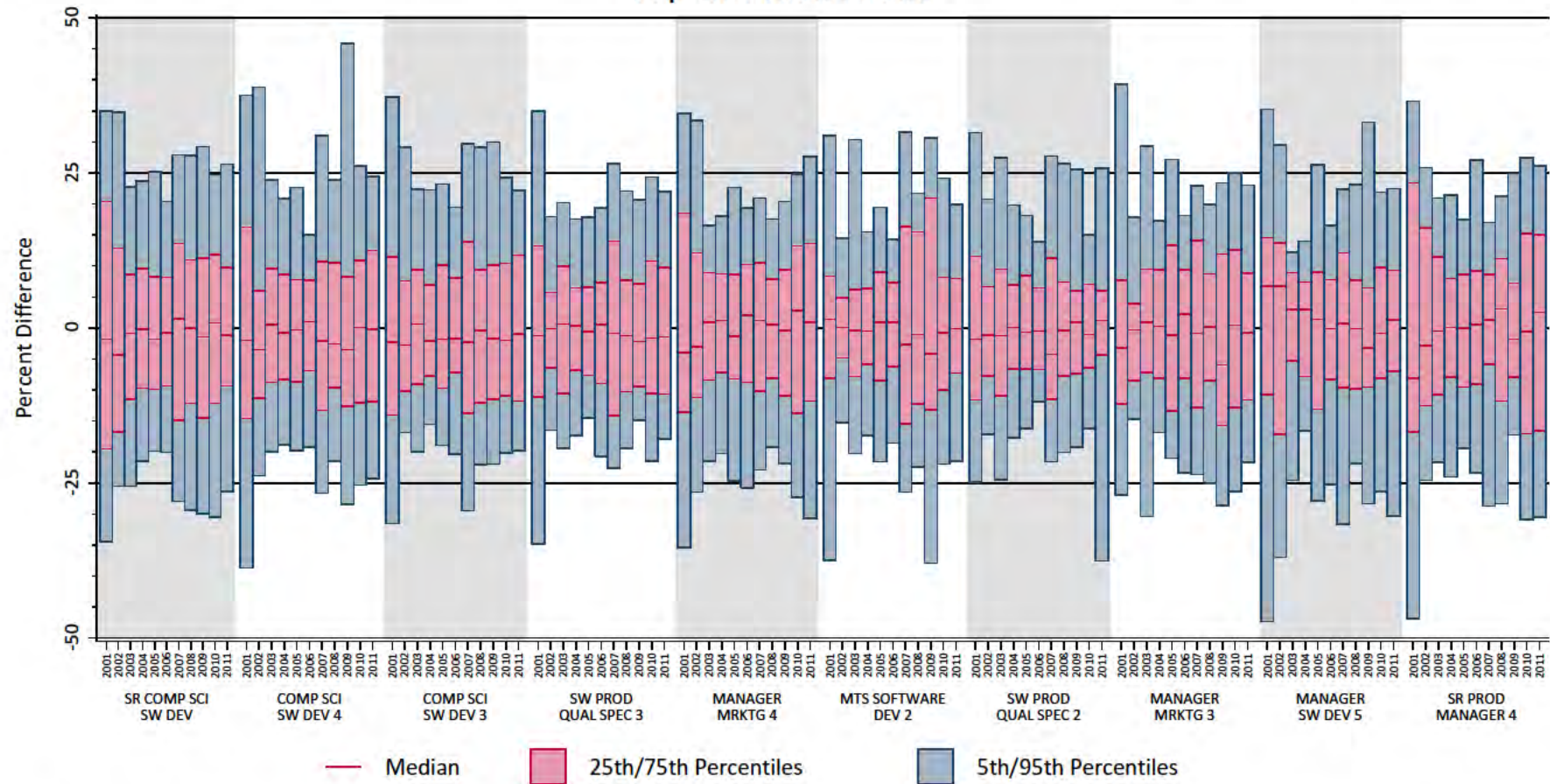[2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.
[4] Lucasfilm data are missing job titles prior to 2006.

Source: Dr. Leamer's backup data and materials.

## Appendix 7E
# Difference between Actual Compensation and Dr. Leamer Predicted Compensation
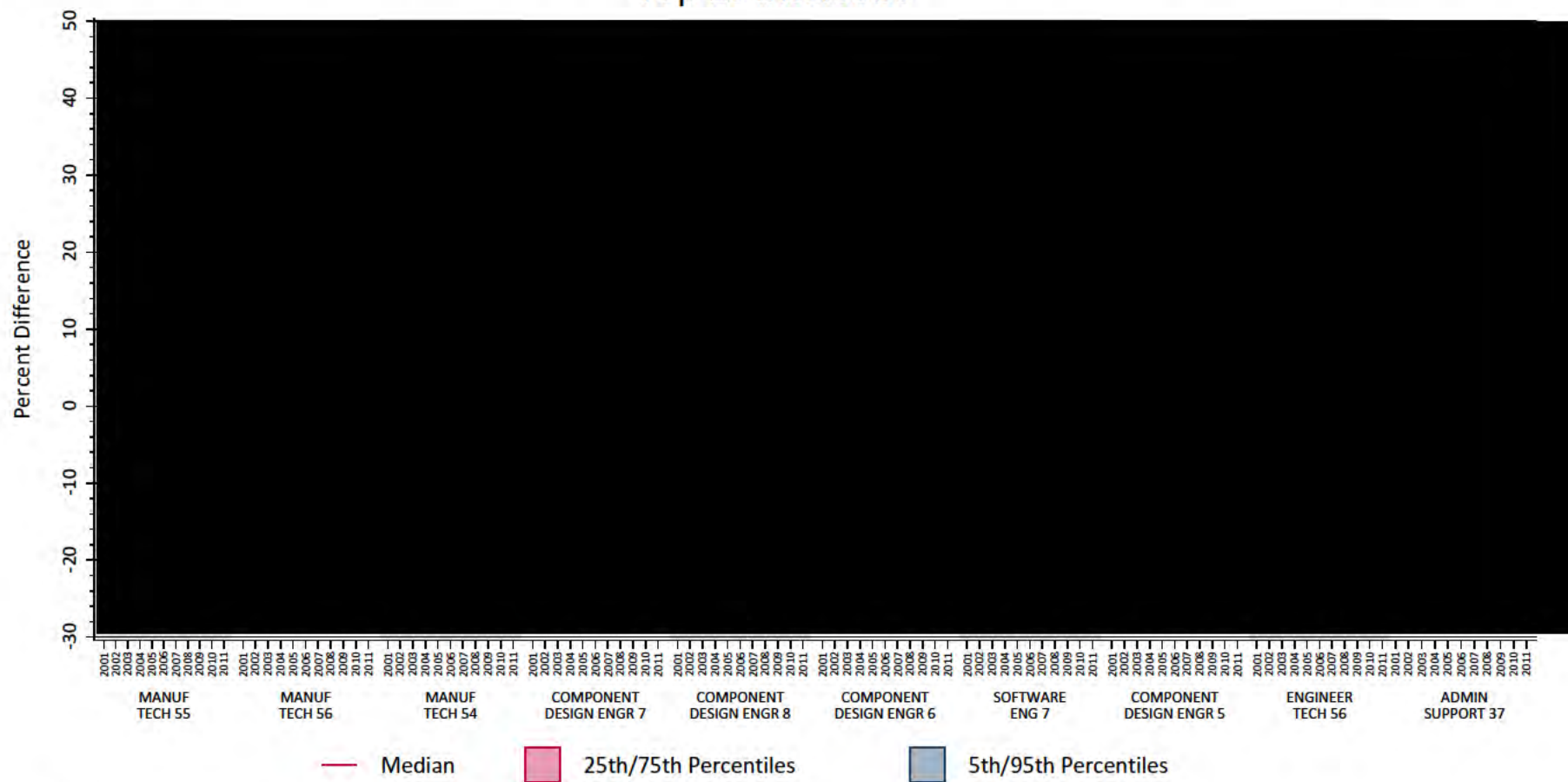## Top 10 Pixar Jobs



Notes:
[1] The percent difference is calculated as the residual from Dr. Leamer's Figure 12 regression models multiplied by 100.
[2] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[3] Bars are missing when there are fewer than five employees with the relevant job title in the data in the given year.

Source: Dr. Leamer's backup data and materials.

**Appendix 8A**
## Annual Changes in "Constant Attribute Compensation" of Top 10 Job Titles
### Base Salary Changes



Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Percent changes in hedonic base salary are defined as differences in logs.
[3] Outliers are capped at +/- 20 percent.

Source: Dr. Leamer's backup data and materials.

**Appendix 8B**
## Annual Changes in "Constant Attribute Compensation" of Top 10 Job Titles
### Total Compensation Changes

Notes:
[1] The top 10 jobs are identified using 2005 through 2009 employment--the same algorithm that Dr. Leamer uses in his Figures 15 through 17.
[2] Percent changes in hedonic total compensation are defined as differences in logs.
[3] Outliers are capped at +/- 75 percent.

Source: Dr. Leamer's backup data and materials.

# Appendix 9A

## Dr. Leamer's Figure 20 Regression Including Defendant-Specific Conduct Variables and Other Defendant-Specific Interactive Effects

### All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

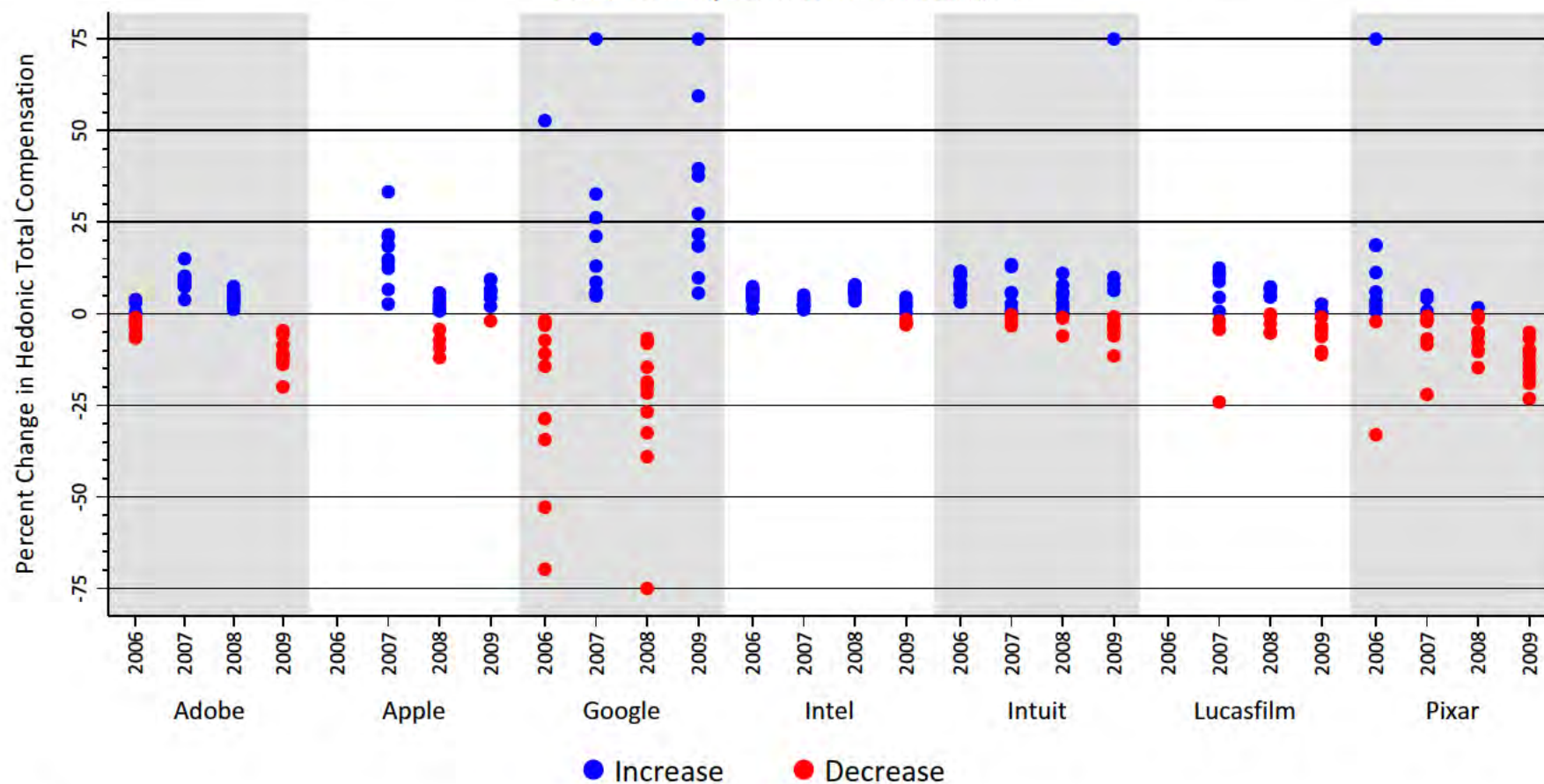| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| ADOBE * Conduct * Age | -0.0047 | * | 0.0026 | -1.79 |
| APPLE * Conduct * Age | 0.0079 | *** | 0.0015 | 5.34 |
| GOOGLE * Conduct * Age | 0.0067 | *** | 0.0020 | 3.38 |
| INTEL * Conduct * Age | 0.0032 | *** | 0.0006 | 5.78 |
| INTUIT * Conduct * Age | 0.0018 | | 0.0024 | 0.75 |
| PIXAR * Conduct * Age | 0.0152 | *** | 0.0042 | 3.59 |
| LUCASFILM * Conduct * Age | -0.0027 | | 0.0074 | -0.37 |
| ADOBE * Conduct * Age^2 | 0.0000 | | 0.0000 | 1.26 |
| APPLE * Conduct * Age^2 | -0.0001 | *** | 0.0000 | -5.58 |
| GOOGLE * Conduct * Age^2 | -0.0001 | *** | 0.0000 | -3.44 |
| INTEL * Conduct * Age^2 | 0.0000 | *** | 0.0000 | -6.83 |
| INTUIT * Conduct * Age^2 | 0.0000 | | 0.0000 | -0.78 |
| PIXAR * Conduct * Age^2 | -0.0002 | *** | 0.0001 | -3.52 |
| LUCASFILM * Conduct * Age^2 | 0.0000 | | 0.0001 | 0.19 |
| ADOBE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.8370 | *** | 0.0376 | 22.24 |
| APPLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.3141 | *** | 0.0250 | -12.57 |
| GOOGLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.3453 | *** | 0.0061 | 56.20 |
| INTEL * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0323 | *** | 0.0020 | 16.45 |
| INTUIT * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0213 | * | 0.0127 | -1.67 |
| PIXAR * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.1142 | *** | 0.0342 | 3.34 |
| LUCASFILM * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0664 | *** | 0.0169 | 3.92 |
| ADOBE * Conduct | 1.8691 | *** | 0.0976 | 19.15 |
| APPLE * Conduct | -0.7391 | *** | 0.0549 | -13.46 |
| GOOGLE * Conduct | 0.2602 | *** | 0.0380 | 6.84 |
| INTEL * Conduct | 0.0240 | * | 0.0132 | 1.81 |
| INTUIT * Conduct | -0.1416 | *** | 0.0576 | -2.46 |
| PIXAR * Conduct | 0.0277 | | 0.1164 | 0.24 |
| LUCASFILM * Conduct | 0.2427 | | 0.1636 | 1.48 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.7079 | *** | 0.0056 | 125.95 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7265 | *** | 0.0027 | 272.85 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.5121 | *** | 0.0017 | 294.66 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6721 | *** | 0.0023 | 286.66 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7202 | *** | 0.0059 | 121.40 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6619 | *** | 0.0056 | 117.60 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8067 | *** | 0.0360 | 22.42 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2868 | *** | 0.0055 | 52.13 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2828 | *** | 0.0028 | 102.17 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3466 | *** | 0.0017 | 207.40 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.2964 | *** | 0.0023 | 129.91 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2541 | *** | 0.0057 | 44.21 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1743 | *** | 0.0053 | 32.60 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1922 | *** | 0.0365 | 5.26 |
| ADOBE * Log(Age) | 0.4727 | ** | 0.2194 | 2.15 |
| APPLE * Log(Age) | -1.0913 | *** | 0.1256 | -8.69 |
| GOOGLE * Log(Age) | 1.0010 | *** | 0.1547 | 6.47 |
| INTEL * Log(Age) | -0.2981 | *** | 0.0485 | -6.15 |
| INTUIT * Log(Age) | -0.8571 | *** | 0.1696 | -5.05 |
| PIXAR * Log(Age) | -0.0441 | | 0.4413 | -0.10 |

# Appendix 9A

| | | | |
|---|---|---|---|
| LUCASFILM * Log(Age) | 0.0240 | 0.8306 | 0.03 |
| ADOBE * Log(Age)^2 | -0.0695 *** | 0.0297 | -2.34 |
| APPLE * Log(Age)^2 | 0.1235 *** | 0.0170 | 7.24 |
| GOOGLE * Log(Age)^2 | -0.1483 *** | 0.0214 | -6.92 |
| INTEL * Log(Age)^2 | 0.0348 *** | 0.0066 | 5.30 |
| INTUIT * Log(Age)^2 | 0.1010 *** | 0.0229 | 4.41 |
| PIXAR * Log(Age)^2 | 0.0166 | 0.0605 | 0.27 |
| LUCASFILM * Log(Age)^2 | -0.0085 | 0.1115 | -0.08 |
| Log(Company Tenure) (Months) | -0.0167 *** | 0.0050 | -3.36 |
| Log(Company Tenure)^2 | 0.0017 *** | 0.0005 | 3.14 |
| Male | 0.0025 *** | 0.0005 | 4.62 |
| DLog(Information Sector Employment in San-Jose) | 1.5574 *** | 0.0183 | 85.30 |
| Log(Total Number of Transfers Among Defendants) | 0.0770 *** | 0.0018 | 42.53 |
| Year (trend) | -0.0025 *** | 0.0003 | -7.90 |
| ADOBE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0441 *** | 0.0095 | -4.63 |
| APPLE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0461 *** | 0.0066 | 6.94 |
| GOOGLE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.2261 *** | 0.0026 | -86.41 |
| INTEL * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0049 *** | 0.0013 | 3.77 |
| INTUIT * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0808 *** | 0.0046 | 17.61 |
| PIXAR * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.1603 *** | 0.0308 | -5.20 |
| LUCASFILM * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0217 | 0.0154 | -1.41 |
| Log(Total Number of New Hires) | -0.2292 *** | 0.0026 | -89.66 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0915 *** | 0.0043 | -21.15 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1646 *** | 0.0033 | 50.39 |
| APPLE | 3.3227 *** | 0.4646 | 7.15 |
| GOOGLE | -0.0066 | 0.4898 | -0.01 |
| INTEL | 1.6772 *** | 0.4130 | 4.06 |
| INTUIT | 2.9576 *** | 0.5094 | 5.81 |
| PIXAR | 1.3942 | 0.9009 | 1.55 |
| LUCASFILM | 0.9044 | 1.5907 | 0.57 |
| Location (State) Indicators | YES | | |
| Constant | YES | | |
| R-Square | **0.928** | | |
| Observations | **508,969** | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 9B

## Dr. Leamer's Figure 23 Regression Including Defendant-Specific Conduct Variables and Other Defendant-Specific Interactive Effects

### Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | St. Error | T-Value |
|---|---|---|---|
| ADOBE * Conduct * Age | -0.0062 * | 0.0033 | -1.85 |
| APPLE * Conduct * Age | 0.0090 *** | 0.0020 | 4.54 |
| GOOGLE * Conduct * Age | 0.0074 *** | 0.0025 | 2.93 |
| INTEL * Conduct * Age | 0.0035 *** | 0.0008 | 4.42 |
| INTUIT * Conduct * Age | -0.0011 | 0.0037 | -0.29 |
| PIXAR * Conduct * Age | 0.0102 * | 0.0056 | 1.83 |
| LUCASFILM * Conduct * Age | 0.0036 | 0.0182 | 0.20 |
| ADOBE * Conduct * Age^2 | 0.0001 | 0.0000 | 1.37 |
| APPLE * Conduct * Age^2 | -0.0001 *** | 0.0000 | -4.65 |
| GOOGLE * Conduct * Age^2 | -0.0001 *** | 0.0000 | -3.01 |
| INTEL * Conduct * Age^2 | 0.0000 *** | 0.0000 | -5.07 |
| INTUIT * Conduct * Age^2 | 0.0000 | 0.0000 | 0.17 |
| PIXAR * Conduct * Age^2 | -0.0001 * | 0.0001 | -1.92 |
| LUCASFILM * Conduct * Age^2 | -0.0001 | 0.0002 | -0.41 |
| ADOBE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.9854 *** | 0.0482 | 20.45 |
| APPLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.1272 *** | 0.0345 | -3.68 |
| GOOGLE * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.3276 *** | 0.0088 | 37.18 |
| INTEL * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0388 *** | 0.0026 | 14.83 |
| INTUIT * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0750 *** | 0.0194 | -3.87 |
| PIXAR * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0642 | 0.0440 | -1.46 |
| LUCASFILM * Conduct * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0820 *** | 0.0276 | 2.97 |
| ADOBE * Conduct | 2.2161 *** | 0.1241 | 17.85 |
| APPLE * Conduct | -0.4323 *** | 0.0747 | -5.79 |
| GOOGLE * Conduct | 0.2078 *** | 0.0494 | 4.21 |
| INTEL * Conduct | 0.0548 *** | 0.0185 | 2.97 |
| INTUIT * Conduct | -0.1868 ** | 0.0875 | -2.14 |
| PIXAR * Conduct | -0.2066 | 0.1508 | -1.37 |
| LUCASFILM * Conduct | 0.2062 | 0.3662 | 0.56 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6754 *** | 0.0075 | 89.78 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7040 *** | 0.0037 | 192.60 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4607 *** | 0.0022 | 207.91 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6429 *** | 0.0029 | 219.78 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.6772 *** | 0.0088 | 76.81 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6202 *** | 0.0084 | 73.65 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.7676 *** | 0.0695 | 11.04 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3112 *** | 0.0074 | 42.05 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2864 *** | 0.0038 | 74.62 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3478 *** | 0.0021 | 162.51 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3113 *** | 0.0028 | 109.66 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2930 *** | 0.0085 | 34.49 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.0956 *** | 0.0076 | 12.61 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.2340 *** | 0.0702 | 3.34 |
| ADOBE * Log(Age) | 0.3557 | 0.2812 | 1.26 |
| APPLE * Log(Age) | -1.2304 *** | 0.1670 | -7.37 |
| GOOGLE * Log(Age) | 0.1880 | 0.1917 | 0.98 |
| INTEL * Log(Age) | -0.3725 *** | 0.0699 | -5.33 |
| INTUIT * Log(Age) | -1.0874 *** | 0.2520 | -4.31 |
| PIXAR * Log(Age) | 0.6246 | 0.5776 | 1.08 |

# Appendix 9B

| | | | |
|---|---:|---:|---:|
| LUCASFILM * Log(Age) | -0.4933 | 1.5449 | -0.32 |
| ADOBE * Log(Age)^2 | -0.0547 | 0.0381 | -1.43 |
| APPLE * Log(Age)^2 | 0.1382 *** | 0.0228 | 6.07 |
| GOOGLE * Log(Age)^2 | -0.0387 | 0.0265 | -1.46 |
| INTEL * Log(Age)^2 | 0.0449 *** | 0.0095 | 4.73 |
| INTUIT * Log(Age)^2 | 0.1305 *** | 0.0342 | 3.82 |
| PIXAR * Log(Age)^2 | -0.0667 | 0.0793 | -0.84 |
| LUCASFILM * Log(Age)^2 | 0.0634 | 0.2101 | 0.30 |
| Log(Company Tenure) (Months) | 0.0021 | 0.0067 | 0.31 |
| Log(Company Tenure)^2 | 0.0003 | 0.0007 | 0.47 |
| Male | 0.0058 *** | 0.0008 | 7.21 |
| DLog(Information Sector Employment in San-Jose) | 1.6830 *** | 0.0250 | 67.20 |
| Log(Total Number of Transfers Among Defendants) | 0.0854 *** | 0.0024 | 35.18 |
| Year (trend) | -0.0004 | 0.0004 | -0.99 |
| ADOBE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0497 *** | 0.0122 | -4.06 |
| APPLE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0349 *** | 0.0092 | 3.81 |
| GOOGLE * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.2318 *** | 0.0037 | -63.00 |
| INTEL * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.0041 *** | 0.0018 | 2.34 |
| INTUIT * Log(Number of New Hires in the Firm/Number of Employees(-1)) | 0.1109 *** | 0.0069 | 16.17 |
| PIXAR * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0495 | 0.0394 | -1.26 |
| LUCASFILM * Log(Number of New Hires in the Firm/Number of Employees(-1)) | -0.0296 | 0.0227 | -1.31 |
| Log(Total Number of New Hires) | -0.2643 *** | 0.0035 | -76.33 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0435 *** | 0.0058 | -7.45 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1532 *** | 0.0044 | 35.02 |
| APPLE | 3.4399 *** | 0.5998 | 5.73 |
| GOOGLE | 1.5131 *** | 0.6217 | 2.43 |
| INTEL | 1.6323 *** | 0.5322 | 3.07 |
| INTUIT | 3.2415 *** | 0.6919 | 4.68 |
| PIXAR | 0.8473 | 1.1715 | 0.72 |
| LUCASFILM | 1.4582 | 2.8740 | 0.51 |
| Location (State) Indicators | YES | | |
| Constant | YES | | |
| R-Square | **0.879** | | |
| Observations | **295,136** | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 10A

## Dr. Leamer's Figure 20 Regression Using a Single Conduct Variable

### All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct | -0.0344 | *** | 0.0008 | -41.98 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6978 | *** | 0.0054 | 129.27 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7416 | *** | 0.0026 | 279.85 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4943 | *** | 0.0017 | 293.50 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6687 | *** | 0.0024 | 282.48 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7117 | *** | 0.0057 | 124.33 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6961 | *** | 0.0069 | 100.42 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8118 | *** | 0.0363 | 22.36 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2934 | *** | 0.0053 | 55.74 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2595 | *** | 0.0027 | 95.36 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3734 | *** | 0.0016 | 229.06 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3005 | *** | 0.0023 | 130.49 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2522 | *** | 0.0055 | 45.49 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1992 | *** | 0.0067 | 29.64 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1798 | *** | 0.0367 | 4.90 |
| Log(Age) (Years) | -0.0105 | | 0.0328 | -0.32 |
| Log(Age)^2 | -0.0076 | * | 0.0044 | -1.72 |
| Log(Company Tenure) (Months) | 0.0083 | * | 0.0050 | 1.66 |
| Log(Company Tenure)^2 | -0.0009 | * | 0.0006 | -1.66 |
| Male | 0.0027 | *** | 0.0005 | 5.02 |
| DLog(Information Sector Employment in San-Jose) | 1.4135 | *** | 0.0136 | 103.90 |
| Log(Total Number of Transfers Among Defendants) | 0.0959 | *** | 0.0015 | 63.66 |
| Year (trend) | -0.0039 | *** | 0.0003 | -14.53 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0169 | *** | 0.0008 | 21.61 |
| Log(Total Number of New Hires) | -0.2478 | *** | 0.0021 | -116.78 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.1027 | *** | 0.0034 | -30.20 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.2162 | *** | 0.0033 | 66.49 |
| APPLE | 0.0607 | *** | 0.0162 | 3.75 |
| GOOGLE | 1.0320 | *** | 0.0174 | 59.42 |
| INTEL | 0.1516 | *** | 0.0146 | 10.40 |
| INTUIT | 0.1473 | *** | 0.0193 | 7.64 |
| PIXAR | 0.7075 | *** | 0.0422 | 16.77 |
| LUCASFILM | 0.1256 | *** | 0.0480 | 2.61 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.926** | | | |
| Observations | **504,897** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.

# Appendix 10B

## Dr. Leamer's Figure 23 Regression Using a Single Conduct Variable

## Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct | -0.0234 | *** | 0.0011 | -20.94 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6643 | *** | 0.0072 | 91.76 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7212 | *** | 0.0037 | 197.36 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4403 | *** | 0.0022 | 203.78 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6407 | *** | 0.0030 | 215.53 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.6578 | *** | 0.0084 | 78.28 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6523 | *** | 0.0106 | 61.69 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8457 | *** | 0.0692 | 12.21 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3158 | *** | 0.0071 | 44.58 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2581 | *** | 0.0038 | 68.54 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3629 | *** | 0.0021 | 173.68 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3171 | *** | 0.0029 | 110.18 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2967 | *** | 0.0081 | 36.48 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1054 | *** | 0.0097 | 10.89 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1456 | ** | 0.0694 | 2.10 |
| Log(Age) (Years) | -0.1807 | *** | 0.0463 | -3.90 |
| Log(Age)^2 | 0.0146 | ** | 0.0063 | 2.32 |
| Log(Company Tenure) (Months) | 0.0326 | *** | 0.0068 | 4.78 |
| Log(Company Tenure)^2 | -0.0028 | *** | 0.0008 | -3.78 |
| Male | 0.0065 | *** | 0.0008 | 7.89 |
| DLog(Information Sector Employment in San-Jose) | 1.5271 | *** | 0.0189 | 80.81 |
| Log(Total Number of Transfers Among Defendants) | 0.0983 | *** | 0.0020 | 48.08 |
| Year (trend) | -0.0009 | *** | 0.0004 | -2.52 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0154 | *** | 0.0011 | 14.31 |
| Log(Total Number of New Hires) | -0.2724 | *** | 0.0029 | -93.07 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0811 | *** | 0.0047 | -17.17 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.2127 | *** | 0.0044 | 48.43 |
| APPLE | 0.1244 | *** | 0.0245 | 5.08 |
| GOOGLE | 1.3816 | *** | 0.0259 | 53.33 |
| INTEL | 0.1573 | *** | 0.0219 | 7.19 |
| INTUIT | 0.1486 | *** | 0.0315 | 4.71 |
| PIXAR | 1.5543 | *** | 0.0771 | 20.17 |
| LUCASFILM | 0.0296 | | 0.1038 | 0.29 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.874** | | | |
| Observations | **292,489** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.

# Appendix 10C

| "Undercompensation" Estimates Using a Single Conduct Variable in Dr. Leamer's Regression | vs. | "Undercompensation" Estimates in Dr. Leamer's Figures 22 and 24 |
|---|---|---|

### All-Salaried Employee Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|---|---|---|---|---|---|---|---|
| 2005 | -1.72% | -1.72% | -1.72% | -1.72% | | -11.95% | -10.29% |
| 2006 | -4.63% | -4.71% | -4.28% | -4.58% | | -14.77% | -12.23% |
| 2007 | -7.17% | -7.37% | -6.19% | -7.02% | -3.44% | -17.58% | -14.00% |
| 2008 | -9.80% | -10.13% | -8.10% | -9.51% | -5.88% | -20.36% | -15.61% |
| 2009 | -9.80% | -10.28% | -7.17% | -9.32% | -5.91% | -20.55% | -14.52% |

### All-Salaried Employee Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|---|---|---|---|---|---|---|---|
| 2005 | -1.61% | -1.59% | -1.78% | -1.67% | | -12.13% | -10.56% |
| 2006 | -4.28% | -4.43% | -4.44% | -4.70% | | -14.63% | -12.44% |
| 2007 | -6.64% | -6.94% | -6.39% | -7.46% | -3.24% | -17.24% | -14.28% |
| 2008 | -9.08% | -9.56% | -8.40% | -10.05% | -5.64% | -19.94% | -15.76% |
| 2009 | -9.15% | -9.73% | -7.51% | -9.95% | -5.70% | -20.12% | -14.65% |

### Technical, Creative and R&D Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|---|---|---|---|---|---|---|---|
| 2005 | -1.17% | -1.17% | -1.17% | -1.17% | | -8.33% | -6.08% |
| 2006 | -3.12% | -3.19% | -2.86% | -3.09% | | -10.31% | -6.85% |
| 2007 | -4.78% | -4.94% | -4.03% | -4.69% | -2.34% | -12.27% | -7.45% |
| 2008 | -6.50% | -6.73% | -5.15% | -6.33% | -3.88% | -14.22% | -7.92% |
| 2009 | -6.42% | -6.71% | -4.31% | -6.13% | -3.83% | -14.40% | -6.54% |

### Technical, Creative and R&D Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|---|---|---|---|---|---|---|---|
| 2005 | -1.56% | -1.90% | -3.07% | -1.64% | | -10.80% | -9.28% |
| 2006 | -4.29% | -4.96% | -7.23% | -3.06% | | -14.77% | -10.47% |
| 2007 | -6.48% | -7.79% | -9.36% | -3.38% | -3.41% | -18.08% | -10.61% |
| 2008 | -8.80% | -10.64% | -11.20% | -4.76% | -5.21% | -20.44% | -11.87% |
| 2009 | -8.44% | -10.51% | -9.00% | -4.19% | -4.96% | -20.54% | -9.62% |

Source:  Leamer Figure 20 and 23 regressions excluding conduct interactions
with age and hiring rate.

# Appendix 11A

## Dr. Leamer's Figure 20 Regression Including Defendant-Specific Conduct Variables

### All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| ADOBE * Conduct | 0.0053 | * | 0.0028 | 1.89 |
| APPLE * Conduct | -0.0139 | *** | 0.0019 | -7.37 |
| GOOGLE * Conduct | -0.0969 | *** | 0.0021 | -45.25 |
| INTEL * Conduct | -0.0304 | *** | 0.0009 | -33.37 |
| INTUIT * Conduct | -0.0600 | *** | 0.0026 | -23.17 |
| PIXAR * Conduct | 0.0396 | *** | 0.0048 | 8.34 |
| LUCASFILM * Conduct | 0.0000 | | 0.0075 | 0.00 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6855 | *** | 0.0056 | 122.85 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7361 | *** | 0.0027 | 276.84 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4858 | *** | 0.0017 | 283.31 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6721 | *** | 0.0024 | 283.28 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7173 | *** | 0.0058 | 122.92 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6857 | *** | 0.0055 | 124.10 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.7984 | *** | 0.0364 | 21.92 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3056 | *** | 0.0055 | 56.03 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2645 | *** | 0.0027 | 96.26 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3741 | *** | 0.0016 | 228.53 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.2976 | *** | 0.0023 | 128.96 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2466 | *** | 0.0056 | 43.72 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1758 | *** | 0.0053 | 33.30 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.2003 | *** | 0.0369 | 5.43 |
| Log(Age) (Years) | -0.0244 | | 0.0327 | -0.75 |
| Log(Age)^2 | -0.0057 | | 0.0044 | -1.28 |
| Log(Company Tenure) (Months) | -0.0128 | *** | 0.0050 | -2.55 |
| Log(Company Tenure)^2 | 0.0013 | *** | 0.0006 | 2.42 |
| Male | 0.0032 | *** | 0.0005 | 5.82 |
| DLog(Information Sector Employment in San-Jose) | 1.4228 | *** | 0.0136 | 104.42 |
| Log(Total Number of Transfers Among Defendants) | 0.0800 | *** | 0.0015 | 53.90 |
| Year (trend) | -0.0032 | *** | 0.0003 | -12.13 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0128 | *** | 0.0008 | 16.20 |
| Log(Total Number of New Hires) | -0.2273 | *** | 0.0021 | -108.21 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0677 | *** | 0.0033 | -20.55 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1461 | *** | 0.0029 | 50.95 |
| APPLE | 0.0492 | *** | 0.0163 | 3.02 |
| GOOGLE | 1.0950 | *** | 0.0176 | 62.24 |
| INTEL | 0.1587 | *** | 0.0147 | 10.82 |
| INTUIT | 0.1818 | *** | 0.0193 | 9.40 |
| PIXAR | 0.7905 | *** | 0.0264 | 29.96 |
| LUCASFILM | 0.0271 | | 0.0503 | 0.54 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.926** | | | |
| Observations | **508,969** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 11B

## Dr. Leamer's Figure 23 Regression Including Defendant-Specific Conduct Variables

Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| ADOBE * Conduct | 0.0175 | *** | 0.0036 | 4.80 |
| APPLE * Conduct | -0.0227 | *** | 0.0026 | -8.71 |
| GOOGLE * Conduct | -0.1219 | *** | 0.0029 | -42.51 |
| INTEL * Conduct | -0.0124 | *** | 0.0012 | -10.12 |
| INTUIT * Conduct | -0.0512 | *** | 0.0040 | -12.96 |
| PIXAR * Conduct | 0.0800 | *** | 0.0061 | 13.10 |
| LUCASFILM * Conduct | 0.0204 | | 0.0130 | 1.57 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6517 | *** | 0.0075 | 86.93 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7204 | *** | 0.0036 | 197.54 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4279 | *** | 0.0022 | 195.45 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6449 | *** | 0.0030 | 217.17 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.6682 | *** | 0.0086 | 77.99 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6623 | *** | 0.0081 | 81.28 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.7861 | *** | 0.0701 | 11.21 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3285 | *** | 0.0074 | 44.62 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2566 | *** | 0.0038 | 67.66 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3684 | *** | 0.0021 | 175.48 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3140 | *** | 0.0029 | 109.24 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2870 | *** | 0.0083 | 34.76 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1014 | *** | 0.0075 | 13.58 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.2148 | *** | 0.0707 | 3.04 |
| Log(Age) (Years) | -0.2111 | *** | 0.0461 | -4.58 |
| Log(Age)^2 | 0.0187 | *** | 0.0063 | 2.99 |
| Log(Company Tenure) (Months) | 0.0011 | | 0.0068 | 0.16 |
| Log(Company Tenure)^2 | 0.0005 | | 0.0008 | 0.73 |
| Male | 0.0067 | *** | 0.0008 | 8.24 |
| DLog(Information Sector Employment in San-Jose) | 1.5258 | *** | 0.0189 | 80.88 |
| Log(Total Number of Transfers Among Defendants) | 0.0805 | *** | 0.0020 | 40.21 |
| Year (trend) | 0.0000 | | 0.0004 | -0.08 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0145 | *** | 0.0011 | 13.40 |
| Log(Total Number of New Hires) | -0.2548 | *** | 0.0029 | -88.38 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0402 | *** | 0.0045 | -8.91 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1324 | *** | 0.0038 | 34.60 |
| APPLE | 0.1309 | *** | 0.0246 | 5.32 |
| GOOGLE | 1.4469 | *** | 0.0261 | 55.52 |
| INTEL | 0.1653 | *** | 0.0220 | 7.53 |
| INTUIT | 0.1840 | *** | 0.0315 | 5.83 |
| PIXAR | 1.3668 | *** | 0.0455 | 30.03 |
| LUCASFILM | -0.0872 | | 0.1064 | -0.82 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.874** | | | |
| Observations | **295,136** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 11C

**"Undercompensation" Estimates Using Defendant-Specific Conduct Variables in Dr. Leamer's Regression**   **vs.**   **"Undercompensation" Estimates in Dr. Leamer's Figures 22 and 24**

### All-Salaried Employee Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|------|-------|-------|--------|-------|--------|-----------|-------|
| 2005 | 0.26% | -0.69% | -4.85% | -1.52% |  | 0.01% | 11.48% |
| 2006 | 0.71% | -1.90% | -12.04% | -4.06% |  | 0.01% | 13.46% |
| 2007 | 1.09% | -2.97% | -17.35% | -6.23% | -6.00% | 0.01% | 15.21% |
| 2008 | 1.49% | -4.08% | -22.63% | -8.44% | -10.30% | 0.02% | 16.76% |
| 2009 | 1.49% | -4.13% | -19.91% | -8.28% | -10.36% | 0.02% | 15.16% |

### All-Salaried Employee Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|------|-------|-------|--------|-------|--------|-----------|-------|
| 2005 | -1.61% | -1.59% | -1.78% | -1.67% |  | -12.13% | -10.56% |
| 2006 | -4.28% | -4.43% | -4.44% | -4.70% |  | -14.63% | -12.44% |
| 2007 | -6.64% | -6.94% | -6.39% | -7.46% | -3.24% | -17.24% | -14.28% |
| 2008 | -9.08% | -9.56% | -8.40% | -10.05% | -5.64% | -19.94% | -15.76% |
| 2009 | -9.15% | -9.73% | -7.51% | -9.95% | -5.70% | -20.12% | -14.65% |

### Technical, Creative and R&D Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|------|-------|-------|--------|-------|--------|-----------|-------|
| 2005 | 0.87% | -1.13% | -6.09% | -0.62% |  | 7.02% | 21.01% |
| 2006 | 2.32% | -3.08% | -14.79% | -1.64% |  | 8.71% | 23.69% |
| 2007 | 3.55% | -4.78% | -20.76% | -2.50% | -5.12% | 10.39% | 25.82% |
| 2008 | 4.82% | -6.50% | -26.52% | -3.37% | -8.55% | 12.08% | 27.50% |
| 2009 | 4.74% | -6.47% | -22.04% | -3.27% | -8.46% | 12.24% | 22.83% |

### Technical, Creative and R&D Class

| Year | Adobe | Apple | Google | Intel | Intuit | Lucasfilm | Pixar |
|------|-------|-------|--------|-------|--------|-----------|-------|
| 2005 | -1.56% | -1.90% | -3.07% | -1.64% |  | -10.80% | -9.28% |
| 2006 | -4.29% | -4.96% | -7.23% | -3.06% |  | -14.77% | -10.47% |
| 2007 | -6.48% | -7.79% | -9.36% | -3.38% | -3.41% | -18.08% | -10.61% |
| 2008 | -8.80% | -10.64% | -11.20% | -4.76% | -5.21% | -20.44% | -11.87% |
| 2009 | -8.44% | -10.51% | -9.00% | -4.19% | -4.96% | -20.54% | -9.62% |

Source:  Leamer Figure 20 and 23 regressions excluding conduct interactions with age and hiring rate, and including company-conduct interactions.
Pixar revenue data after 2005 are included.

# Appendix 12A

## Dr. Leamer's Figure 20 Regression Using Pre-Conduct Period as Benchmark

## All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0056 | *** | 0.0005 | 10.83 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -11.78 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | -0.0391 | *** | 0.0010 | -40.01 |
| Conduct | -0.2432 | *** | 0.0111 | -21.97 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.7667 | *** | 0.0062 | 122.75 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7374 | *** | 0.0033 | 223.86 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.5619 | *** | 0.0023 | 245.29 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6743 | *** | 0.0026 | 263.51 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7086 | *** | 0.0062 | 114.53 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6957 | *** | 0.0056 | 123.46 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.7392 | *** | 0.0390 | 18.95 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2167 | *** | 0.0061 | 35.43 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2637 | *** | 0.0034 | 77.79 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3504 | *** | 0.0020 | 178.13 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.2932 | *** | 0.0025 | 118.61 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2459 | *** | 0.0059 | 41.50 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1477 | *** | 0.0054 | 27.16 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.2434 | *** | 0.0395 | 6.16 |
| Log(Age) (Years) | -0.4166 | *** | 0.0537 | -7.75 |
| Log(Age)^2 | 0.0498 | *** | 0.0073 | 6.79 |
| Log(Company Tenure) (Months) | 0.0684 | *** | 0.0057 | 12.04 |
| Log(Company Tenure)^2 | -0.0068 | *** | 0.0006 | -10.87 |
| Male | 0.0030 | *** | 0.0006 | 4.83 |
| DLog(Information Sector Employment in San-Jose) | 1.2592 | *** | 0.0166 | 75.70 |
| Log(Total Number of Transfers Among Defendants) | 0.0789 | *** | 0.0018 | 42.98 |
| Year (trend) | -0.0105 | *** | 0.0003 | -29.97 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0197 | *** | 0.0010 | 19.03 |
| Log(Total Number of New Hires) | -0.2174 | *** | 0.0030 | -71.92 |
| Log(Firm Revenue Per Employee/CPI) (-1) | 0.0928 | *** | 0.0045 | 20.50 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1286 | *** | 0.0033 | 38.95 |
| APPLE | -0.1111 | *** | 0.0194 | -5.71 |
| GOOGLE | 0.6086 | *** | 0.0217 | 28.00 |
| INTEL | 0.1019 | *** | 0.0173 | 5.89 |
| INTUIT | 0.2270 | *** | 0.0223 | 10.17 |
| PIXAR | 0.9625 | *** | 0.0302 | 31.82 |
| LUCASFILM | -0.1298 | ** | 0.0626 | -2.07 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.924** | | | |
| Observations | **381,288** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 12B

## Dr. Leamer's Figure 23 Regression Using Pre-Conduct Period as Benchmark

## Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0061 | *** | 0.0008 | 8.05 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -8.90 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | -0.0546 | *** | 0.0013 | -40.90 |
| Conduct | -0.2967 | *** | 0.0159 | -18.61 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.7426 | *** | 0.0083 | 89.58 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7137 | *** | 0.0047 | 151.39 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4868 | *** | 0.0031 | 157.85 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6285 | *** | 0.0032 | 195.11 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.6641 | *** | 0.0093 | 71.55 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6794 | *** | 0.0084 | 81.00 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.6826 | *** | 0.0827 | 8.25 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2307 | *** | 0.0081 | 28.45 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2675 | *** | 0.0049 | 54.82 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3341 | *** | 0.0026 | 129.27 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3232 | *** | 0.0031 | 104.05 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2842 | *** | 0.0088 | 32.11 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.0644 | *** | 0.0078 | 8.27 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.2566 | *** | 0.0822 | 3.12 |
| Log(Age) (Years) | -0.5769 | *** | 0.0798 | -7.23 |
| Log(Age)^2 | 0.0720 | *** | 0.0109 | 6.59 |
| Log(Company Tenure) (Months) | 0.0994 | *** | 0.0079 | 12.64 |
| Log(Company Tenure)^2 | -0.0093 | *** | 0.0009 | -10.65 |
| Male | 0.0065 | *** | 0.0009 | 6.89 |
| DLog(Information Sector Employment in San-Jose) | 1.1685 | *** | 0.0234 | 49.89 |
| Log(Total Number of Transfers Among Defendants) | 0.0782 | *** | 0.0025 | 30.91 |
| Year (trend) | -0.0042 | *** | 0.0005 | -8.83 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0239 | *** | 0.0014 | 16.49 |
| Log(Total Number of New Hires) | -0.2084 | *** | 0.0043 | -48.83 |
| Log(Firm Revenue Per Employee/CPI) (-1) | 0.1131 | *** | 0.0062 | 18.39 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1164 | *** | 0.0044 | 26.21 |
| APPLE | -0.0573 | ** | 0.0292 | -1.96 |
| GOOGLE | 1.1501 | *** | 0.0330 | 34.87 |
| INTEL | 0.1375 | *** | 0.0256 | 5.38 |
| INTUIT | 0.2064 | *** | 0.0364 | 5.67 |
| PIXAR | 1.5840 | *** | 0.0521 | 30.41 |
| LUCASFILM | 0.0853 | | 0.1652 | 0.52 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.866** | | | |
| Observations | **216,253** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 12C

## Dr. Leamer's Figure 20 Regression Using Post-Conduct Period as Benchmark

## All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0078 | *** | 0.0006 | 13.85 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -13.31 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0114 | *** | 0.0009 | 12.67 |
| Conduct | -0.0973 | *** | 0.0121 | -8.06 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.7630 | *** | 0.0069 | 110.30 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7349 | *** | 0.0029 | 250.23 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.5002 | *** | 0.0018 | 277.95 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6763 | *** | 0.0034 | 200.70 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.8207 | *** | 0.0103 | 79.39 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.7036 | *** | 0.0058 | 122.35 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8750 | *** | 0.0378 | 23.12 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2528 | *** | 0.0070 | 36.11 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2602 | *** | 0.0031 | 85.08 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3684 | *** | 0.0017 | 213.20 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3235 | *** | 0.0034 | 95.84 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.1548 | *** | 0.0104 | 14.95 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1769 | *** | 0.0055 | 32.24 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1143 | *** | 0.0382 | 2.99 |
| Log(Age) (Years) | -0.6760 | *** | 0.0560 | -12.08 |
| Log(Age)^2 | 0.0797 | *** | 0.0076 | 10.55 |
| Log(Company Tenure) (Months) | -0.0254 | *** | 0.0058 | -4.39 |
| Log(Company Tenure)^2 | 0.0020 | *** | 0.0006 | 3.21 |
| Male | 0.0021 | *** | 0.0006 | 3.34 |
| DLog(Information Sector Employment in San-Jose) | -0.8493 | *** | 0.0541 | -15.70 |
| Log(Total Number of Transfers Among Defendants) | 0.0287 | *** | 0.0019 | 15.14 |
| Year (trend) | 0.0113 | *** | 0.0005 | 23.30 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | -0.0325 | *** | 0.0012 | -26.15 |
| Log(Total Number of New Hires) | 0.0683 | *** | 0.0059 | 11.64 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0268 | *** | 0.0040 | -6.61 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1248 | *** | 0.0032 | 39.43 |
| APPLE | 0.2203 | *** | 0.0187 | 11.80 |
| GOOGLE | 1.1437 | *** | 0.0196 | 58.31 |
| INTEL | 0.0757 | *** | 0.0169 | 4.47 |
| INTUIT | 0.2278 | *** | 0.0247 | 9.23 |
| PIXAR | 0.8522 | *** | 0.0283 | 30.13 |
| LUCASFILM | 0.1705 | *** | 0.0507 | 3.36 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.922** | | | |
| Observations | **399,299** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 12D

## Dr. Leamer's Figure 23 Regression Using Post-Conduct Period as Benchmark

## Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0096 | *** | 0.0008 | 12.31 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -11.96 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0008 | | 0.0012 | 0.70 |
| Conduct | -0.1544 | *** | 0.0165 | -9.37 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.7523 | *** | 0.0092 | 81.89 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7161 | *** | 0.0039 | 181.32 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4438 | *** | 0.0023 | 193.37 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6464 | *** | 0.0041 | 156.05 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7732 | *** | 0.0151 | 51.22 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.7071 | *** | 0.0085 | 83.39 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.9511 | *** | 0.0719 | 13.24 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.2530 | *** | 0.0094 | 26.98 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2581 | *** | 0.0041 | 62.57 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3655 | *** | 0.0022 | 165.61 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3478 | *** | 0.0041 | 84.01 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.1837 | *** | 0.0151 | 12.18 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1052 | *** | 0.0078 | 13.57 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.0413 | | 0.0720 | 0.57 |
| Log(Age) (Years) | -0.9447 | *** | 0.0755 | -12.51 |
| Log(Age)^2 | 0.1145 | *** | 0.0102 | 11.21 |
| Log(Company Tenure) (Months) | -0.0094 | | 0.0078 | -1.21 |
| Log(Company Tenure)^2 | 0.0008 | | 0.0009 | 0.98 |
| Male | 0.0065 | *** | 0.0009 | 6.91 |
| DLog(Information Sector Employment in San-Jose) | -0.9430 | *** | 0.0718 | -13.14 |
| Log(Total Number of Transfers Among Defendants) | 0.0088 | *** | 0.0026 | 3.41 |
| Year (trend) | 0.0148 | *** | 0.0006 | 22.84 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | -0.0367 | *** | 0.0017 | -21.93 |
| Log(Total Number of New Hires) | 0.0834 | *** | 0.0078 | 10.64 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0112 | ** | 0.0054 | -2.05 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.1110 | *** | 0.0042 | 26.40 |
| APPLE | 0.2949 | *** | 0.0283 | 10.42 |
| GOOGLE | 1.4735 | *** | 0.0292 | 50.43 |
| INTEL | 0.0390 | | 0.0255 | 1.53 |
| INTUIT | 0.2932 | *** | 0.0406 | 7.21 |
| PIXAR | 1.2492 | *** | 0.0487 | 25.67 |
| LUCASFILM | 0.0692 | | 0.1083 | 0.64 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.869** | | | |
| Observations | **236,748** | | | |

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source: Dr. Leamer's backup data and materials. Pixar revenue data after 2005 are included.

# Appendix 13A

## Dr. Leamer's Figure 20 Regression Estimated Using Non-Conduct Period Data

## All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6108 | *** | 0.0072 | 84.47 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7408 | *** | 0.0036 | 205.55 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4578 | *** | 0.0026 | 175.14 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6685 | *** | 0.0034 | 196.94 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7266 | *** | 0.0063 | 115.16 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.8377 | *** | 0.0219 | 38.18 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.9990 | *** | 0.0845 | 11.82 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3441 | *** | 0.0067 | 51.72 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2708 | *** | 0.0036 | 74.65 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3957 | *** | 0.0028 | 141.55 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.2620 | *** | 0.0032 | 81.66 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2413 | *** | 0.0060 | 40.26 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1329 | *** | 0.0201 | 6.60 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.0161 | | 0.0856 | 0.19 |
| Log(Age) (Years) | 0.0292 | | 0.0436 | 0.67 |
| Log(Age)^2 | -0.0122 | ** | 0.0059 | -2.07 |
| Log(Company Tenure) (Months) | -0.0613 | *** | 0.0071 | -8.59 |
| Log(Company Tenure)^2 | 0.0064 | *** | 0.0008 | 8.21 |
| Male | 0.0041 | *** | 0.0007 | 5.58 |
| DLog(Information Sector Employment in San-Jose) | 1.3739 | *** | 0.0252 | 54.58 |
| Log(Total Number of Transfers Among Defendants) | 0.0610 | *** | 0.0027 | 22.79 |
| Year (trend) | 0.0028 | *** | 0.0007 | 3.93 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0365 | *** | 0.0013 | 27.33 |
| Log(Total Number of New Hires) | -0.2303 | *** | 0.0053 | -43.47 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0961 | *** | 0.0048 | -19.94 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.0715 | *** | 0.0062 | 11.50 |
| APPLE | -0.2454 | *** | 0.0216 | -11.37 |
| GOOGLE | 0.8453 | *** | 0.0233 | 36.31 |
| INTEL | 0.1981 | *** | 0.0195 | 10.18 |
| INTUIT | -0.0736 | *** | 0.0242 | -3.04 |
| PIXAR | -0.0559 | | 0.0473 | -1.18 |
| LUCASFILM | -0.2748 | *** | 0.0708 | -3.88 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.937** | | | |
| Observations | **237,351** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 13B

## Dr. Leamer's Figure 23 Regression Estimated Using Non-Conduct Period Data

## Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.5929 | *** | 0.0100 | 59.23 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7428 | *** | 0.0049 | 151.07 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4205 | *** | 0.0033 | 129.36 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6526 | *** | 0.0043 | 153.41 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7101 | *** | 0.0092 | 76.79 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.9381 | *** | 0.0359 | 26.12 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.9713 | *** | 0.1224 | 7.94 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3475 | *** | 0.0092 | 37.69 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2392 | *** | 0.0050 | 48.28 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3895 | *** | 0.0036 | 108.96 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.2660 | *** | 0.0040 | 66.55 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2593 | *** | 0.0087 | 29.69 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.0343 | | 0.0307 | 1.12 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.0629 | | 0.1247 | 0.50 |
| Log(Age) (Years) | -0.2740 | *** | 0.0614 | -4.46 |
| Log(Age)^2 | 0.0282 | *** | 0.0083 | 3.38 |
| Log(Company Tenure) (Months) | -0.0758 | *** | 0.0096 | -7.89 |
| Log(Company Tenure)^2 | 0.0086 | *** | 0.0011 | 8.09 |
| Male | 0.0071 | *** | 0.0011 | 6.43 |
| DLog(Information Sector Employment in San-Jose) | 1.3635 | *** | 0.0362 | 37.70 |
| Log(Total Number of Transfers Among Defendants) | 0.0650 | *** | 0.0038 | 17.33 |
| Year (trend) | 0.0034 | *** | 0.0011 | 3.16 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0495 | *** | 0.0018 | 26.92 |
| Log(Total Number of New Hires) | -0.2480 | *** | 0.0078 | -31.98 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.0458 | *** | 0.0067 | -6.82 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.0388 | *** | 0.0086 | 4.51 |
| APPLE | -0.1750 | *** | 0.0326 | -5.37 |
| GOOGLE | 0.9977 | *** | 0.0343 | 29.13 |
| INTEL | 0.2041 | *** | 0.0293 | 6.96 |
| INTUIT | -0.1603 | *** | 0.0388 | -4.13 |
| PIXAR | -0.1585 | * | 0.0893 | -1.77 |
| LUCASFILM | -0.5484 | *** | 0.1265 | -4.34 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.895** | | | |
| Observations | **137,271** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.  Pixar revenue data after 2005 are included.

# Appendix 14A

## Dr. Leamer's Figure 20 Regression Including Change in S&P 500

## All-Salaried Employee Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0066 | *** | 0.0005 | 13.98 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -13.83 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0043 | *** | 0.0008 | 5.54 |
| Conduct | -0.1309 | *** | 0.0100 | -13.04 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6894 | *** | 0.0054 | 126.98 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7449 | *** | 0.0027 | 280.12 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4988 | *** | 0.0017 | 293.05 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6678 | *** | 0.0024 | 282.12 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.7070 | *** | 0.0058 | 122.77 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6943 | *** | 0.0069 | 100.22 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8204 | *** | 0.0363 | 22.62 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3023 | *** | 0.0053 | 57.04 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2581 | *** | 0.0027 | 94.33 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3694 | *** | 0.0016 | 225.49 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3012 | *** | 0.0023 | 130.80 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2567 | *** | 0.0056 | 46.04 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1985 | *** | 0.0067 | 29.56 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1737 | *** | 0.0366 | 4.74 |
| Log(Age) (Years) | -0.3495 | *** | 0.0415 | -8.42 |
| Log(Age)^2 | 0.0380 | *** | 0.0056 | 6.74 |
| Log(Company Tenure) (Months) | 0.0039 | | 0.0050 | 0.78 |
| Log(Company Tenure)^2 | -0.0005 | | 0.0006 | -0.92 |
| Male | 0.0027 | *** | 0.0005 | 4.93 |
| DLog(Information Sector Employment in San-Jose) | 1.5373 | *** | 0.0151 | 101.59 |
| Log(Total Number of Transfers Among Defendants) | 0.0566 | *** | 0.0020 | 27.69 |
| DLog(S&P 500 Net Total Return Index/CPI) | 0.0656 | *** | 0.0023 | 28.72 |
| Year (trend) | 0.0026 | *** | 0.0003 | 7.45 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0135 | *** | 0.0009 | 14.55 |
| Log(Total Number of New Hires) | -0.2182 | *** | 0.0024 | -92.01 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.1319 | *** | 0.0037 | -36.14 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.2371 | *** | 0.0033 | 70.97 |
| APPLE | 0.0747 | *** | 0.0162 | 4.62 |
| GOOGLE | 1.0592 | *** | 0.0174 | 60.95 |
| INTEL | 0.1542 | *** | 0.0146 | 10.59 |
| INTUIT | 0.1485 | *** | 0.0193 | 7.71 |
| PIXAR | 0.7001 | *** | 0.0422 | 16.60 |
| LUCASFILM | 0.1483 | *** | 0.0480 | 3.09 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.926** | | | |
| Observations | **504,897** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.

# Appendix 14B

## Dr. Leamer's Figure 23 Regression Including Change in S&P 500

## Technical, Creative and R&D Class

**Dependant Variable:** Log(Total Annual Compensation/CPI)

| Variable | Estimate | | St. Error | T-Value |
|---|---|---|---|---|
| Conduct * Age | 0.0077 | *** | 0.0007 | 11.44 |
| Conduct * Age^2 | -0.0001 | *** | 0.0000 | -11.18 |
| Conduct * Log(Number of New Hires In the Firm/Number of Employees(-1)) | -0.0099 | *** | 0.0010 | -9.44 |
| Conduct | -0.1717 | *** | 0.0141 | -12.16 |
| ADOBE * Log(Total Annual Compensation/CPI) (-1) | 0.6662 | *** | 0.0073 | 91.42 |
| APPLE * Log(Total Annual Compensation/CPI) (-1) | 0.7299 | *** | 0.0037 | 199.33 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-1) | 0.4425 | *** | 0.0022 | 202.73 |
| INTEL * Log(Total Annual Compensation/CPI) (-1) | 0.6405 | *** | 0.0030 | 215.77 |
| INTUIT * Log(Total Annual Compensation/CPI) (-1) | 0.6672 | *** | 0.0085 | 78.91 |
| PIXAR * Log(Total Annual Compensation/CPI) (-1) | 0.6508 | *** | 0.0106 | 61.63 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-1) | 0.8548 | *** | 0.0691 | 12.37 |
| ADOBE * Log(Total Annual Compensation/CPI) (-2) | 0.3141 | *** | 0.0071 | 44.00 |
| APPLE * Log(Total Annual Compensation/CPI) (-2) | 0.2505 | *** | 0.0038 | 66.22 |
| GOOGLE * Log(Total Annual Compensation/CPI) (-2) | 0.3607 | *** | 0.0021 | 171.44 |
| INTEL * Log(Total Annual Compensation/CPI) (-2) | 0.3177 | *** | 0.0029 | 110.53 |
| INTUIT * Log(Total Annual Compensation/CPI) (-2) | 0.2888 | *** | 0.0082 | 35.32 |
| PIXAR * Log(Total Annual Compensation/CPI) (-2) | 0.1053 | *** | 0.0097 | 10.90 |
| LUCASFILM * Log(Total Annual Compensation/CPI) (-2) | 0.1398 | ** | 0.0692 | 2.02 |
| Log(Age) (Years) | -0.5757 | *** | 0.0587 | -9.80 |
| Log(Age)^2 | 0.0676 | *** | 0.0080 | 8.46 |
| Log(Company Tenure) (Months) | 0.0204 | *** | 0.0068 | 3.00 |
| Log(Company Tenure)^2 | -0.0016 | ** | 0.0008 | -2.14 |
| Male | 0.0064 | *** | 0.0008 | 7.86 |
| DLog(Information Sector Employment in San-Jose) | 1.5716 | *** | 0.0209 | 75.07 |
| Log(Total Number of Transfers Among Defendants) | 0.0443 | *** | 0.0028 | 16.05 |
| DLog(S&P 500 Net Total Return Index/CPI) | 0.0881 | *** | 0.0031 | 28.55 |
| Year (trend) | 0.0078 | *** | 0.0005 | 16.67 |
| Log(Number of New Hires In the Firm/Number of Employees(-1)) | 0.0213 | *** | 0.0013 | 16.62 |
| Log(Total Number of New Hires) | -0.2308 | *** | 0.0033 | -70.79 |
| Log(Firm Revenue Per Employee/CPI) (-1) | -0.1028 | *** | 0.0051 | -20.31 |
| DLog(Firm Revenue Per Employee/CPI) (-1) | 0.2359 | *** | 0.0045 | 52.12 |
| APPLE | 0.1328 | *** | 0.0244 | 5.44 |
| GOOGLE | 1.4013 | *** | 0.0259 | 54.09 |
| INTEL | 0.1574 | *** | 0.0218 | 7.20 |
| INTUIT | 0.1378 | *** | 0.0315 | 4.38 |
| PIXAR | 1.5355 | *** | 0.0770 | 19.94 |
| LUCASFILM | 0.0399 | | 0.1036 | 0.38 |
| Location (State) Indicators | YES | | | |
| Constant | YES | | | |
| R-Square | **0.875** | | | |
| Observations | **292,489** | | | |

Note:  *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

Source:  Dr. Leamer's backup data and materials.